

	Month (%)	Quarter (%)	FYTD (%)	1 year (%)	3 year (% p.a.)	Since inception^ (% p.a.)
Perennial Microcap Resources Trust (Net)	4.5	17.7	18.8	51.9	8.8	8.8
S&P ASX Small Ordinaries Resources Index	5.8	10.3	9.3	12.5	0.1	0.1
Value Added	-1.3	7.4	9.5	39.4	8.7	8.7

^ Since inception: August 2021. Past performance is not a reliable indicator of future performance

Overview

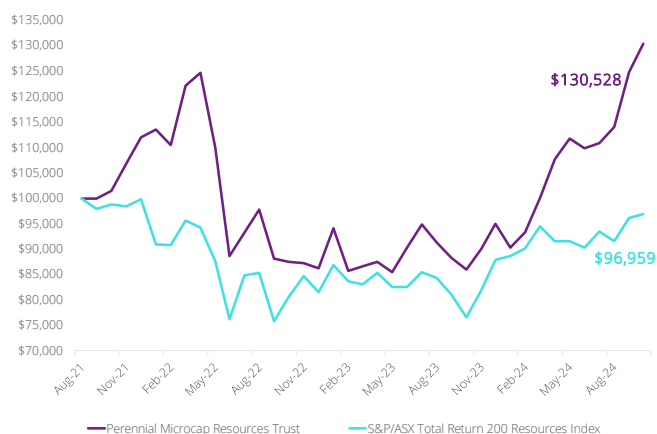
A strong month for gold lifted the Small Resources index and the trust to solid returns of 5.8% and 4.5% respectively. The rolling 12mth return for the trust rises to 51.9% net of all fees, outperforming the benchmark by 39.4% over that period.

The China-stimulus euphoria from September wore off in October, dragging base metals lower. The markets' attention pivoted to the US election and the positive implications for gold under a Trump-victory scenario, lifting the yellow metal 5.8% or 11.1% in AUD terms.

However, it appears October moves got the order of events wrong. Post Trump victory, gold and metals have eased in the face of higher rates and a stronger US dollar, both of which we believe are in anticipation of stronger US demand, increased tariffs and potentially higher inflation.

Promised tax cuts are likely to take place quicker than realised cost savings from Elon's Department of Government Efficiency (DOGE). So it seems reasonable US government deficits will accelerate before the world gets to see whether Trumps economic plan lowers the US deficit or not.

Growth of \$100,000 Since Inception



Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Perennial Microcap Resources Trust

The aim of the Trust is to grow the value of your investment over the long term by investing in a portfolio of Australian small and microcap listed and unlisted companies operating in the business of commodity production, commodity investment or as a service provider to the industry of commodity production.

Portfolio Manager

Sam Berridge

Trust FUM

AUD \$43.6 million

Distribution Frequency

Annual

Minimum Initial Investment¹

\$25,000

Trust Inception Date

August 2021

Fees

1.20% p.a. + Performance fee

APIR Code

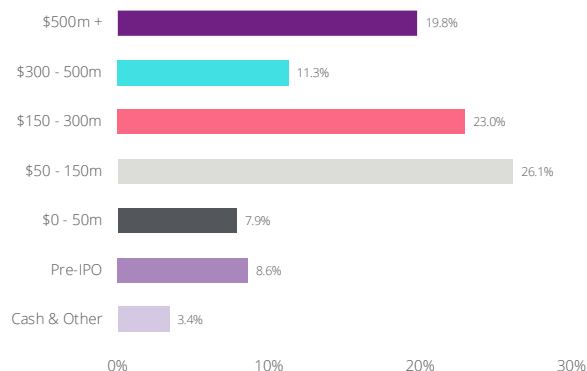
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¹ Perennial Microcap Resources Trust is open to wholesale investors only.

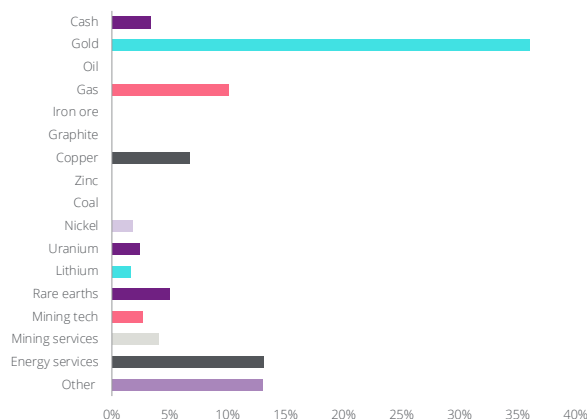
Top 5 Positions	Trust (%)
Toubani Resources	8.1
Metro Mining	7.3
Rox Resources	5.2
Firefly Metals	5.2
SciDev	5.0

Source: Perennial Value Management. As at 31 October 2024

Market Capitalisation Exposure



Sector Exposure



Trust Review

Gold, copper and bauxite companies were the top performers in the month, including:

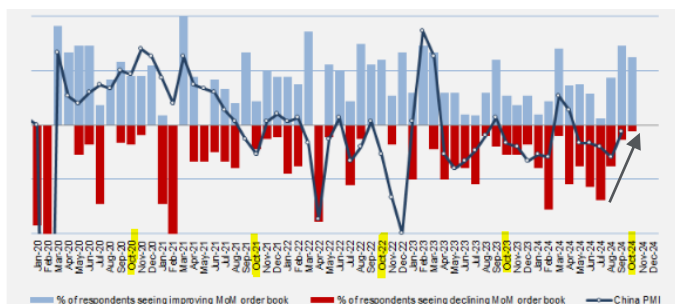
- Bauxite miner **Metro Mining**, rallied 23.3% after reporting record production and cash flow for the September quarter. Also, the bauxite price continued to tick higher, up 3% over the month.
- Copper developer, **Firefly Metals** returned +19.7% after announcing a 42% increase in resource for the Green Bay copper project.
- Gold producer, **Ora Banda**, hit new all time highs, up 49.6% in the month on the back of a solid quarterly report and stronger AUD gold price (+11.1%)
- Gold developer, **Rox Resources**, gapped up 40.7% after reporting high-grade gold intersections from its 2.2Moz gold project in WA. We view Rox as being unfairly overlooked by investors looking for gold exposure.

Investments which weighed on performance during the month included:

- Energy services company **DUG Technology** drifted -26.5% after raising equity to accelerate the build out of infrastructure at its US data center to support future growth. While DUG traditionally will only add compute capacity as contracts demand it, the infrastructure support has a longer lead time and was justified by what DUG was seeing in its project pipeline
- Gas producer **Cooper Energy** traded down -5.4% on what looks to be a minor hiccup in production rates from its Orbest facility.

Stimulus announcements always move markets, as they did in September, but the reality is it takes some months for stimulatory initiatives to make a tangible difference to economic activity. From which point a sustained recovery can occur. In that regard the leading indicators are positive, with orderbooks, and M2 money supply improving month on month into October. This should translate into improved numbers for PMI (Purchasing Managers Index), which in turn leads commodity prices.

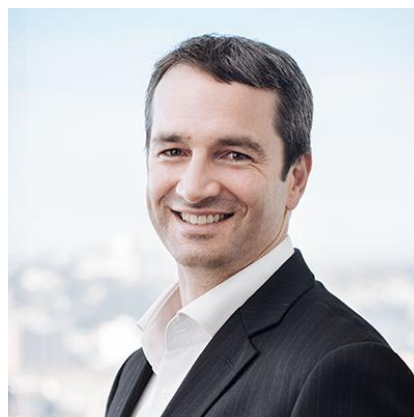
As always, our view is subject to new data, but trends like the one below coupled with coordinated monetary easing have positive implications for commodity prices into 2025.



Source: CEIC, Goldman Sachs Global Investment Research

Global, Currency & Commodities (%)

S&P 500	-1.0
Nikkei 225	3.1
FTSE 100	-1.5
Shanghai Composite	-1.7
RBA Cash Rate	4.35
AUD / USD	65.8c
Iron Ore	2.0
Oil	0.3
Gold	5.8
Copper	-4.2



Portfolio Manager: Sam Berridge

Invest Online Now

The Trust finished the month with 38 stocks and 3.4% cash.

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Signatory of:



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