

	Month	Quarter	FYTD	1 year	3 years	5 years	Since Inception
	%	%	%	% p.a.	% p.a.	% p.a.	% p.a.
Perennial Value Shares Wholesale Trust*	3.1	-1.6	5.8	3.9	4.0	7.6	9.3
S&P/ASX 300 Accumulation Index	3.8	0.2	8.4	5.7	5.8	7.5	7.7
Value Added (Detracted)	-0.7	-1.8	-2.6	-1.8	-1.8	0.1	1.6
Capital Growth	3.0	-1.8	2.8	-0.5	-0.8	2.8	1.6
Income Distribution	0.0	0.0	2.2	3.5	3.9	3.9	7.0
Net Performance	3.0	-1.8	5.1	2.9	3.1	6.7	8.6

*Gross Performance. *Since inception: June 2001. Past performance is not a reliable indicator of future performance.

Overview

- ▶ The market rallied strongly in April, finishing the month up 3.8% and fully-recovering last month's losses.
- ▶ Resources led the market higher, up 9.5% on stronger commodity prices, while financials lagged, held back by the banks, which suffered from the negative publicity generated by the Royal Commission.
- ▶ Offshore markets generally were stronger, with the S&P500 up +0.3%, Nikkei 225 up 4.7%, the FTSE100 up 6.4% while the Shanghai Composite was down -2.7%.

Growth of \$100,000 since inception



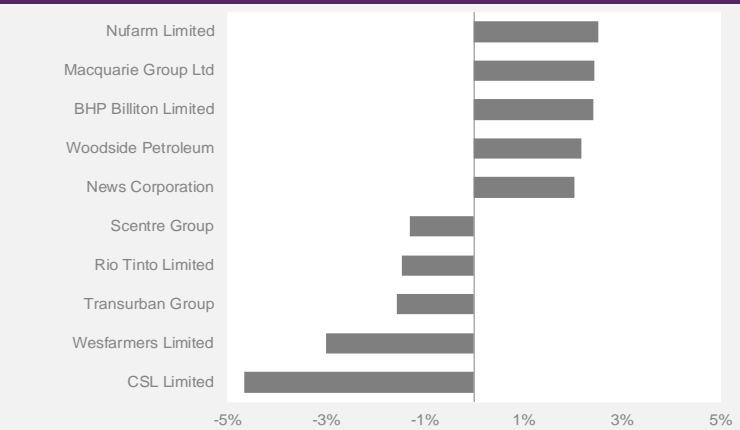
Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Perennial Value Shares Wholesale Trust

The Trust aims to grow the value of your investment over the long term via a combination of capital growth and tax effective income, by investing in a diversified portfolio of Australian shares, and to provide a total return (after fees) that exceeds the S&P/ASX 300 Accumulation Index measured on a rolling three-year basis.

Portfolio manager	John Murray
Trust FUM	AUD \$1.0 billion
Distribution frequency:	Half yearly
Minimum initial investment	\$25,000
Trust Inception Date	June 2001
Fees	0.92%
APIR code	IOF0206AU

Top 5 Over / Underweight Positions

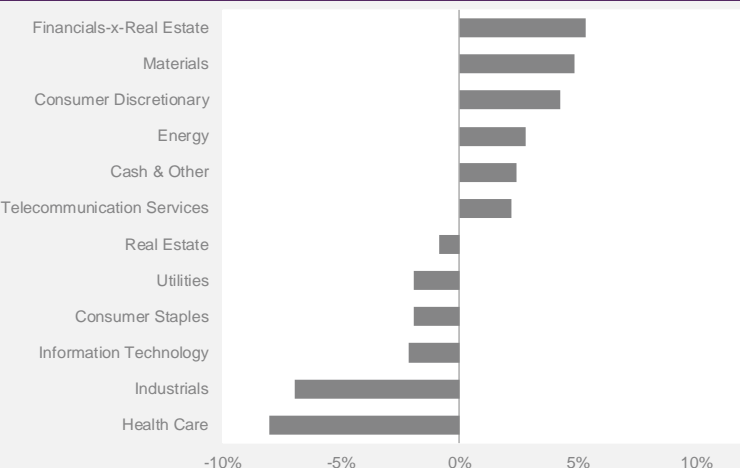


Portfolio Characteristics – FY19

	Trust	Market
Price to Earnings (x)	14.0	15.2
Price to Free Cash flow (x)	13.0	15.1
Gross Yield (%)	5.8	5.7
Price to NTA (x)	1.9	2.2

Source: Perennial Value Management. As at 30 April 2018. The above figures are forecasts only. While due care has been used in the preparation of forecast information, actual outcomes may vary in a materially positive or negative manner.

Sector Active Exposure



Trust Review

Better performing holdings over the month included energy stocks Origin Energy (+12.1%) and Woodside Petroleum (+10.2%), which rallied on the expectation of sustained stronger oil prices following positive commentary from OPEC and Russia on controlling production. Resource stocks Rio Tinto (+9.8%), BHP (+9.7%) and BlueScope Steel (+9.4%) also performed strongly on the healthy commodity price outlook.

Agricultural stocks Nufarm (+8.5%) and Graincorp (+5.0%) continued to rally into the new planting season, building on last month's good performance. Gold miner Newcrest (+8.1%), rose after announcing that, following interruptions caused by issues with their tailings dam, full production would resume in May at their key Cadia mine in NSW. Other stocks which outperformed included Westfield Corp (+8.0%), Woolworths (+6.0%), Macquarie Group (+5.6%) and Suncorp (+5.1%).

Stocks which detracted from performance included AMP (-19.0%) which fell sharply following revelations of poor practices at the Financial Services Royal Commission. Boral (-7.5%) declined after delivering a disappointing trading update, with earnings being impacted by a number of operational issues. Other stocks which detracted from performance included Amcor (-3.1%), Caltex (-1.2%) and Tabcorp (-0.2%).

Trust Activity

During the month, we took profits and reduced our holdings in News Corp and Graincorp. We also reduced our holding in AMP given the uncertainty created by recent developments. Proceeds were used to increase our holdings in a number of good value opportunities including BlueScope Steel, Oz Minerals and Westpac. At month end, stock numbers were 42 and cash was 2.4%.

Outlook

While the level of volatility in markets is likely to increase going forward, driven by factors such as recent political rhetoric around trade policy, the global economic backdrop continues to be positive, with all major regions delivering improved growth. While the domestic economy has been subdued, recent data is increasingly positive. Should this continue, the Trust will likely benefit from being overweight in the large-cap, low-cost, financially-sound resources companies as well as in a range of quality industrial and financial companies which are trading on attractive valuations. This scenario would also see continued upwards pressure on interest rates, which would benefit the Trust through its underweight position in the expensive defensive sectors such as healthcare and REITs and infrastructure.

The Trust continues to exhibit Perennial Value's true to label value characteristics, with the Trust offering better value than the overall market on each of our four valuation characteristics: price to earnings, price to free cash flow, gross dividend yield and price to net tangible assets.

As always, our focus will continue to be on investing in quality companies which are offering attractive valuations and have the ability to deliver high levels of franked dividend income to investors.

Market Review - Australia	%	Global, Currency & Commodities	%
S&P/ASX300 Accumulation Index	+3.8	S&P500	+0.3
Energy	+10.7	Nikkei 225	+4.7
Materials	+7.4	FTSE100	+6.4
Industrials	+3.1	Shanghai Composite	-2.7
Consumer Discretionary	+2.9	RBA Cash Rate	1.50
Health Care	+7.2	AUD / USD	-1.6
Financials-x-Real Estate	+0.1	Iron Ore	+3.1
Real Estate	+4.3	Oil	+7.0
Information Technology	+2.8	Gold	-0.8
Telecommunication Services	+1.9	Copper	+0.9
Utilities	+2.2		

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