PERENNIAL

Perennial Value Wealth Defender Australian Shares Trust

About the Trust

The Trust is an actively managed Australian equities portfolio, with dynamic protection strategies that aim to provide the long term benefits of share market investment while reducing the impact of major equity market falls on investors' capital.

The Trust invests in a range of large and smaller listed (or soon to be listed) companies which Perennial Value believes have sustainable operations and whose share prices offer good value.

The protection strategies for the Trust, including equity and index derivatives, are used to cushion the impact of losses when equity markets fall, and to implement this protection in a cost effective, efficient manner. The types of derivatives used include index futures and options on share and volatility indices as well as options on single stocks.

Fund Characteristics

Fund objective	The Trust aims to outperform the S&P/ASX 300 Accumulation by investing in a diversified portfolio of Australian shares and using protection strategies to dynamically protect the portfolio through market cycles, thereby reducing the magnitude of significant negative returns in falling equity markets.
Benchmark	S&P/ASX 300 Accumulation Index
Inception Date	May 2014
Number of stocks	35 – 100 stocks
Minimum initial investment	$25,000
Fees (PA)	0.98% + performance fee (15% over the benchmark)
Liquidity	Daily
Risk/Return profile	High
Distribution	Half yearly
APIR Code	IOF0228AU

About Perennial Value Management

Perennial Value is an Australian owned, specialist, active investment management firm. Our sole focus is to deliver excellence in funds management through equity ownership and the alignment of interests between investment management staff and our clients.

Equity participation is a key element of Perennial's business model. The investment staff's equity stake in the business means the team are single minded in ensuring delivery of performance ahead of benchmark. At the heart of Perennial's equity ownership structure is the philosophy of aligning our investment professionals' interests with that of our clients.

Asset Class and Allocation

Australian Equities	50 – 100%
Cash	0 – 50%

Why Invest in the Wealth Defender Trust

Strong research capabilities

- Fully resourced team of 16
- Concentrated investment style
- 200 stocks modelled in detail
- Derivative overlay

Strong portfolio construction skills

- Strong emphasis on portfolio construction
- Utilising portfolio analytics to asses factor and stock specific risk
- Risk mitigation on the downside

Well-resourced team

- 3 senior Portfolio Managers have greater than 18 years investment experience
- Excellent access to brokers, floats and senior executives

Investment Process

Universe Screening

>400 Stocks

Fundamental Research

250 Stocks

Proprietary Ranking
(Perennial Value Screen)

220 Stocks

Portfolio Construction

80 Stocks

Client Portfolio

~ 40 Stocks

Derivative overlay

Screen for

- $50 million min. capitalisation
- Concept stocks, high debt, poor management
- Initial screen on metrics offering a better value than market (P/E, dividend yield, int cover)

Conduct company visits & peer reviews

Characteristics sought:

- Sound financial position
- Good management
- Profit track record
- Strong market positions

Six key measures sourced from company models

- P/E
- P/FCF
- P/NTA
- Net interest cover
- Forecast 3yr EPS Growth
- Gross Dividend Yield

Portfolio Investment size then based on a function of:

- Risk Limits
- Liquidity
- Conviction Rating

Investment Team

Dan Bosscher
Portfolio Manager

Years in Perennial Value: 7
Years in the industry: 22

Scott Stewart
Portfolio Manager

Years in Perennial Value: 5
Years in the industry: 21

Michael Pollard
Portfolio Manager

Years in Perennial Value: 4
Years in the industry: 18

Philip Cornet
Dealer

Years in Perennial Value: 4
Years in the industry: 25

Haran Kumareswaran
Portfolio Manager

Years in Perennial Value: 3
Years in the industry: 13

Contact us

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