James Rutledge: Why overlooked small and micro caps could present attractive opportunities

By Perpetual Asset Management

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Small caps have rallied as investors rotate away from parts of the large-cap market — but Perpetual's JAMES RUTLEDGE says the opportunity is about more than a short-term trade.

In this video podcast, Rutledge explains why overlooked small and micro-cap companies can offer value for long-term investors, and how Perpetual's disciplined quality filters help identify stronger businesses while managing downside risk.

Here's an excerpt from the video podcast:

"Investors look at small caps and say that's a more volatile end of the market. Perhaps there's not as many eyes on it ... and that really gives actual opportunities.

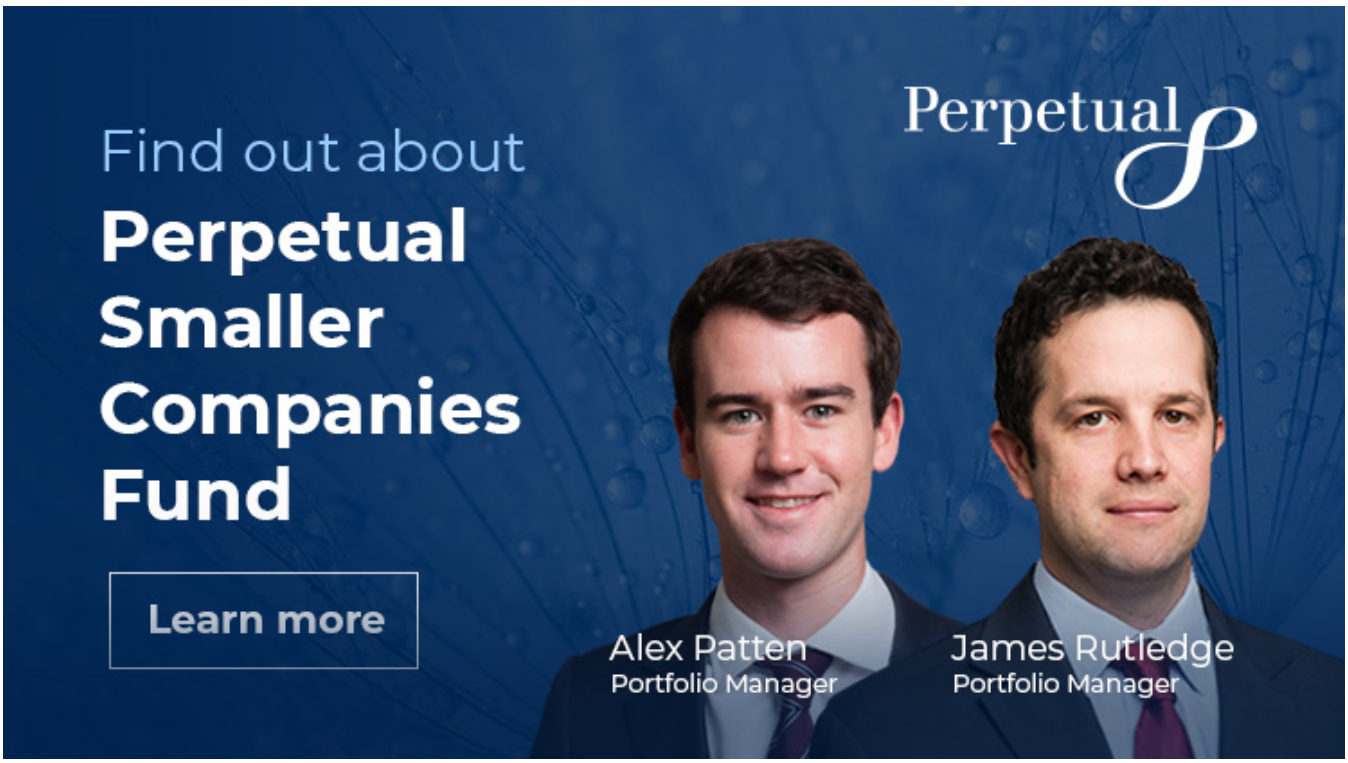
"Our style lends itself to a more longer-term allocation towards small caps.

"We really add a lot of our value historically in that small cap market through stock allocation as opposed to sector allocation.

“Great opportunities have emerged in quite severe market selloffs like we saw during COVID and coming out of COVID."

Watch the video for the full interview

Listen to the audio version



About Perpetual’s Australian small and micro-cap equities team

Alex Patten and James Rutledge are co-portfolio managers of Perpetual Smaller Companies Fund and Perpetual Pure Microcap Fund.

Perpetual is a pioneer in Australian quality and value investing, with a heritage dating back to 1886.

We are one of Australia’s most respected and longstanding active investment managers, with a proven investment process that has been refined through more than 50 years of experience.

We have a track record of contributing value through “active ownership” and deep research.

Want to find out more? Contact a Perpetual account manager

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