

Perpetual Investments

# PERPETUAL'S SHARE-PLUS LONG-SHORT FUND

Perpetual's SHARE-PLUS Long-Short Fund has consistently delivered strong returns in changing conditions, with lower levels of risk than the index. This has been achieved through the combination of quality stock selection, its flexible mandate and selective shorting.

## OUR PROCESS

Perpetual's SHARE-PLUS Long-Short Fund (the Fund) aims to provide long-term capital growth and income through investment in quality Australian shares and taking short positions in selected Australian shares where we believe the stock price may fall in the future.

## THE LONG SIDE OF THE FUND

On the long side of the portfolio, the Fund invests in a portfolio of companies using the same disciplined investment approach as Perpetual's other long Australian equity strategies, which has been tried and proven over the best part of 50 years. Our long positions start with our focus on quality companies that exhibit characteristics of value.

Our knowledge of the market is extensive – our investment team makes more than 1,000 company visits a year, using our experience, insights and skills to identify stocks with the greatest potential to deliver returns to investors.

### PERPETUAL'S SHORT SELLING INVESTMENT PHILOSOPHY IS SIMPLE AND FOCUSES ON FOUR KEY PRINCIPLES:

1. We short to make money in an absolute sense, not in a relative sense
2. We rarely short the index, we short companies
3. We short for alpha generation, not beta timing
4. We do not short with hedging or pairing in mind

## THE SHORT SIDE OF THE FUND

We use the same rigorous bottom-up value research we conduct on the long side of the Fund to identify shorting opportunities, with additional 'red flags' which may indicate a decline in the share price. The process is ongoing and involves constant monitoring and reviewing, as the diagram overleaf shows. The positions may be longer-term strategic positions or tactical short-term opportunities.

### WHY CHOOSE PERPETUAL'S SHARE-PLUS LONG-SHORT FUND?

- ✓ A disciplined approach and unique investment process which has generated strong investment returns in all market conditions.
- ✓ A Fund which can produce stronger returns for investors than the index, with lower levels of risk than the index.
- ✓ A stable, experienced and empowered investment team focused on delivering the best results for your clients.
- ✓ Decisions based on deep and insightful information and analysis from our team of experienced investment analysts.
- ✓ Asset managers with proven shorting experience – a skill which is highly specialised.

### RESEARCH HOUSE FUND RATINGS



Perpetual 

