

FUNDAMENTALS



PERPETUAL DIVERSIFIED INCOME FUND

The Perpetual Diversified Income Fund is an active floating rate credit fund, invested in a diversified portfolio of quality debt securities.


It is designed for investors seeking predictable outcomes – including above cash rate returns, regular income and capital stability.


FUND AT A GLANCE


INVESTMENT OBJECTIVE

The Fund aims to provide regular income and consistent returns above the Bloomberg AusBond Bank Bill Index (before fees and taxes) over rolling three-year periods by investing in a diverse range of income generating assets.

INVESTMENT GUIDELINES

 Cash and Investment grade securities 75-100%

 Sub-investment grade and non rated securities limit 25% (group); 5% (issuer)
(includes mortgages and other private debt 0-15%)

 Maximum gearing limit (of the Fund's net asset value) 25%

Inception date October 2005

Distributions Quarterly

APIR Code PER0260AU

Management fee (% pa)* 0.70%

Typical number of securities 100-200

Modified duration limit Benchmark +/- 0.75 years

Buy spread 0.10%

Sell spread 0.10%

PLATFORM AVAILABILITY

AMP North, Asgard, Asgard eWrap, Asgard Infinity, BT Panorama, BT Wrap, Colonial First State FirstChoice, Colonial First State FirstWrap, GrowWrap, Hub24, IOOF Portfolio Services, IOOF Pursuit, Macquarie Wrap, MLC Navigator, MLC Wrap, Netwealth, Oasis, Perpetual WealthFocus

BENCHMARK

Bloomberg AusBond Bank Bill Index

PORTFOLIO MANAGER



VIVEK PRABHU

Head of Fixed Income Perpetual Investments



ABOUT THE FUND

When investing in debt, avoiding loss or default is critical.

Perpetual's analysts screen out risks by applying quality filters to companies and selecting those with strong management, stable balance sheets, predictable earnings, industry leadership and low susceptibility to regulatory or event risk.

As a result, the Diversified Income Fund invests in a range of quality debt securities across a variety of sectors and maturities, aiming to deliver regular income with the potential for above cash rate total returns.

Investors aren't locked into a fixed interest rate and can benefit from the higher income generated following a rise in interest rates.



HOW DOES THE FUND FIT INTO A WELL-BALANCED PORTFOLIO?

A well-constructed defensive portfolio allows investors to take risks in other parts of their portfolio with more confidence. The Diversified Income Fund is constructed to provide investors with the defensive characteristics they are typically seeking and aims to deliver regular income, liquidity and low capital volatility, with the potential to earn above cash rate total returns.

The Fund also provides investors with the opportunity to diversify their portfolio away from defensive assets that are tied to fixed interest rates, which means their capital is less sensitive to changes in interest rates and they are well positioned to benefit from the higher interest income generated following a rise in interest rates.



WHY INVEST WITH PERPETUAL?

Perpetual has been managing investment portfolios since 1966 and has some of Australia's most experienced and specialist investment managers.

Our disciplined process of identifying high-quality, attractively valued investment opportunities, has been tested and proven in Australian Equities for 50+ years and the fixed income process has been developed and refined for over 15 years with proven results through different market cycles.

We actively manage the investments of our clients, based on fundamental research and analysis. The senior members of the fixed income team at Perpetual have more than 80 years' combined experience in investment management and have worked together as a team for more than a decade. Furthermore, we have continued to invest in the quality and depth of our team.

FIND OUT MORE

Financial advisers: contact Adviser Services on 1800 062 725 or email investments@perpetual.com.au

Investors: contact Investor Services on 1800 022 033 or email investments@perpetual.com.au

WHAT ARE THE RISKS?

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offering document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

*Information on Management Costs (including estimated indirect costs) is set out in the Fund's PDS.

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