

Perpetual Smaller Companies Fund



About the Fund

The Perpetual Smaller Companies Fund provides investors with the potential to benefit from the growth of quality smaller or emerging companies through a proprietary stock selection process and active management.

Perpetual's investment philosophy focuses on rigorous bottom up research and engagement with management. This is particularly valuable in smaller companies. The team only invests in a company when they believe the share price is attractive relative to its return potential and seeks to hold the positions long-term, provided that the quality of the business remains unchanged and the price remains attractive.



How does the Fund fit into a well-balanced portfolio?

Small companies investing can provide excellent longer-term growth potential as we seek to invest in quality, smaller, emerging companies with room to grow.

Perpetual's strict quality and value investment philosophy is designed for investors seeking the typical downside protection this style and process aim to achieve.

The Fund's small cap holdings could complement an existing Australian equities portfolio that is concentrated in large cap exposures.



Why invest with Perpetual?

As one of Australia's longest serving and most trusted investment managers, our longstanding commitment is to deliver superior outcomes over the long-term for our clients. Our disciplined process of identifying high-quality, attractively valued investment opportunities, has been tested and proven for 50+ years.

We actively manage the investments of our clients, based on fundamental research and analysis. To augment this process, we constantly invest in the quality and depth of our team.

Today we have a large, dedicated and highly regarded team, with extensive investment management experience.

How to invest

Whether you're a first-time investor or an investment professional, you can access our investment expertise in the way that best suits your individual needs:

► Direct investment

You can invest directly as an investor or adviser with a minimum amount of \$25,000. You can apply online or using our paper application.

► Invest via a platform

You can invest with us via a platform, which is generally offered through a financial planner. A platform bundles a range of managed funds and investments as one single product to provide consolidated administration, tax, and distribution reporting.

Fund at a glance

Investment objective

The Fund aims to provide long-term capital growth and income through investment in quality Australian industrial and resource shares which, when first acquired, do not rank in the S&P/ASX 50 Index and to outperform the S&P/ASX Small Ordinaries Accumulation Index (before fees and taxes) over rolling three-year periods.

Benchmark

S&P/ASX Small Ordinaries Accumulation Index

Investment guidelines

Australian smaller company shares	80–100%
Cash	0–20%
Inception date	October 1996
Distributions	Half-yearly
APIR Code	PER0048AU
Management fee (% pa)*	1.25%
Typical tracking error range	5–10%
Number of stocks	20–100
Active stock limit	+/-6%
Buy spread#	0.15%
Sell spread#	0.15%

Portfolio managers



Jack Collopy



Alex Patten

Deputy Portfolio Manager

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.

As at 18 December 2020. Subject to change. Refer to the Fund's PDS for the latest spreads.

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