

Perpetual Private

PERPETUAL SELECT HIGH GROWTH FUND

December 2024

FUND FACTS

Investment objective: Long-term capital growth through investment in a diversified portfolio with a strong emphasis on Australian and international shares, as well as growth alternative investments.

Suggested length of investment: Seven years or longer

BENEFITS

Provides investors with access to a diverse range of growth and income producing assets.

RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer 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.

INVESTMENT APPROACH

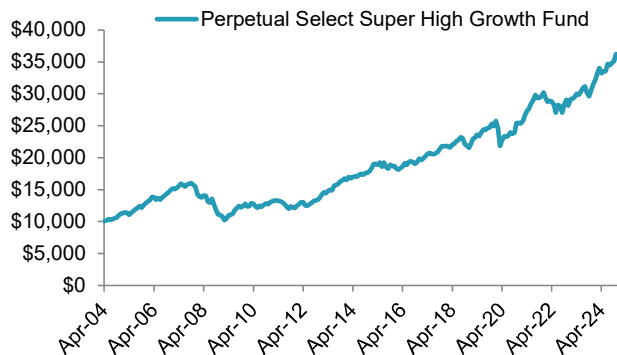
Invests into a diverse mix of assets (see 'Investment guidelines' below) and is managed within our ranges for each asset class.

TOTAL RETURNS % (AFTER FEES) AS AT 31 DECEMBER 2024

	APIR CODE	1 MTH	3 MTHS	6 MTHS	1 YR PA	3 YRS PA	5 YRS PA
Perpetual Select Super High Growth Fund	WDL0006AU	-0.3	3.8	7.7	14.6	6.1	7.7
Perpetual Select High Growth Composite Benchmark		0.1	4.8	9.9	19.2	8.6	9.7

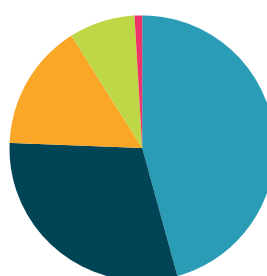
Past performance is not indicative of future performance

GROWTH OF \$10,000 SINCE INCEPTION*



*The Growth of \$10,000 chart includes reinvestment of dividends and capital gains, but does not reflect the effect of any applicable sales or redemption charges which would lower these figures.

PORTFOLIO EXPOSURES[^]



- International Equities, 46%
- Australian Equities, 30%
- Growth Alternatives, 15%
- Real Estate, 8%
- Cash, 1%

[^]Portfolio exposures represent the Perpetual Select Super High Growth Fund

INVESTMENT GUIDELINES

	BENCHMARK (%)	RANGE (%)
Cash	2	0 - 30
Australian Equities	30	15 - 40
Real Estate	8	5 - 20
International Equities	45	20 - 60
Growth Alternatives	15	0 - 20

PORTFOLIO COMMENTARY

The Perpetual Select High Growth Fund finished higher for the December quarter but underperformed its composite benchmark over the same time period. Real Estate added to performance however Australian Equities, International Equities and Growth Alternatives all detracted from performance relative to the fund's benchmark.

For the quarter, Australian Equities (S&P/ASX 300 Accumulation Index) gained 0.8%, Global Equities (MSCI All Country World Index) increased 10.9% and listed Real Estate (Composite Listed Index) rose 2.5%. All returns are in AUD.

The Perpetual Select Australian Share Fund underperformed the S&P/ASX 300 benchmark for the December quarter. Four of the six managers outperformed for the period. DNR was the best performer delivering a positive 3.7% return for the period, which was 4.5% in excess of the fund's ASX300 benchmark return of -0.8%. Tribeca and Selector also outperformed their Small Ordinaries benchmark. The primary detractor was Cooper Investors, who are our Large Cap Core manager and currently have the highest weighting in the portfolio. They underperformed the benchmark by over 4% for the period. Almost half the underperformance was attributable to stocks not held in their portfolio that did well over the period. Most notably, their continued underweight to the major banks, not holding any exposure to either CBA or Westpac, the 2 best performing banks, was the primary detractor for the quarter.

The Perpetual Select International Share Fund underperformed the MSCI AC World index (unhedged AUD) over the quarter.

Manager performance was disappointing, with Arrowstreet Capital being the only manager to outperform the benchmark over the period. All other managers lagged the benchmark, with MAN Numeric lagging the most, although this was in line with broader market trends where large and mega-cap equities generally had a weaker quarter. At the aggregate portfolio level, sector allocation contributed positively to performance, while stock selection detracted over the period. Stock selection was weakest within Information Technology, Health Care and Consumer Discretionary, yet positive across Industrials, Utilities and Energy. At the regional level, the primary detractor was overweight exposure to Europe ex UK, while stock selection within North America detracted materially. No changes to the manager line up were made during the quarter.

The Select Real Estate Fund outperformed its composite benchmark over the quarter. Resolution Capital, the portfolio's sole exposure to Global REITs outperformed its benchmark over the quarter, net of fees. Relative outperformance over the quarter came from overweight exposure to data centres, (Digital Realty and Equinix), and healthcare, (Welltower), and underweight industrial, (Prologis and Goodman). Self-storage and multi-family detracted. This impact was concentrated in the UK (Big Yellow) and Europe (Shurgard Self Storage). Derwent London (office) also detracted but the office sector in total was broadly neutral. Renaissance Asset Management, the portfolio's sole exposure to Australian REITs, outperformed its benchmark over the quarter, net of fees. Retail was the largest contributor, with overweight Carindale Trust the only positive amongst the retail cohort. Office detracted, driven by the GDI overweight while Aspen Group provided a positive contribution from the living sector.

PRODUCT FEATURES

	SUPER
Inception date	Apr 04
Investment Fee (p.a.)*	0.83%
Ongoing fee discount	Yes
Admin fee	0.10%
Buy spread	0.20%
Sell spread	0.00%
Contribution fee	0.00%
Withdrawal fee	\$0.00
Monthly member fee	\$0.00
Min. initial contribution	\$3,000
Min. additional contribution	\$0
Savings plan	Yes
Withdrawal plan	No
Distribution frequency	N/A
Contact information	1800 022 033

*Additional fees and costs generally apply. Please refer to the Product Disclosure Statement for further details.

Perpetual's Growth Alternatives Pool Fund outperformed its benchmark in Q4 2024, delivering investors 5.6% over the period. In local currency terms, Other Growth Alternatives (via credit-based exposures), Infrastructure, Hedge Funds, and Private Equity all contributed to performance. Opportunistic Property continues to deliver disappointing returns. The falling Australian dollar (primarily vs the USD) contributed to returns.

OUTLOOK

As anticipated last quarter, the trajectory of rate cuts is likely to be shallower than previously expected, constrained by persistent inflationary pressures and a resilient labour market. In equities, we remain constructive on a broadening market rally in 2025, favouring exposures that have lagged but now offer compelling relative value. We also expect a more volatile market over the next 12-months.

Listed real estate remains sensitive to interest rate movements, and after a strong year of price gains, further upside may be harder to achieve in 2025. We see opportunities emerging amid sectoral divergences, favouring office, healthcare, seniors living, and data centres over industrial and retail.

Navigating 2025 will require balancing structural tailwinds with near-term risks. A well-diversified portfolio, anchored in core investment principles, remains the best defence against volatility. As we have over the past year, we will selectively engage in areas where we hold high conviction while maintaining a disciplined risk budget in more uncertain segments.

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You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The PDS for the relevant funds, issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426 (PIML) or Perpetual Superannuation Limited (PSL) ABN 84 008 416 831, AFSL 225246 RSE L0003315 (PSL), should be considered before deciding whether to acquire or hold units in the fund. The PDS and Target Market Determination can be obtained by calling 1800 022 033 or visiting our website www.perpetual.com.au. No company in the Perpetual Group* guarantees the performance of any fund or the return of an investor's capital. Total returns shown for the fund has been calculated using exit prices after taking into account all of Perpetual's ongoing fees, in line with the FSC Standard No.6 and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance. *Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries.

MORE INFORMATION

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