

Perennial has eInvest Income Generator Fund quoted on ASX today

Sydney ,7 May 2018

Perennial Investment Management Ltd (PIML) debuts its first Exchange Traded Managed Fund, eInvest Income Generator Fund (Managed Fund) (**ASX: EIGA**) on the Australian Stock Exchange (ASX) today.

“We are excited to see the start of trading in EIGA today. Having had a long-term track record of generating consistent income for our clients based on our established Shares for Income strategy, we are pleased to offer investors access to it in an ASX-tradeable managed fund” said John Murray, Perennial Managing Director.

The objective of EIGA is to provide investors with an attractive level of tax effective income, targeting a 7%* annual gross income yield (comprising 5% cash yield + 2% franking credits), paid via regular monthly distributions.

EIGA aims to achieve this objective by investing in a diversified portfolio of quality Australian shares which the investment management team believes has the ability to pay an attractive level of dividend income and to grow in value over the long-term.

Lead portfolio manager Stephen Bruce comments “There is a clear need for specialist portfolios focused on generating higher income compared to that available from term deposits and other fixed income investments, which at current levels of interest rates, are simply not meeting investors’ income needs. We believe that EIGA can help investors here. It’s a cost efficient, easy, tradeable solution to help retirees and SMSF investors meet their increasing income needs”.

Mr Bruce says that many investors have yet to fully embrace the sharemarket as a genuine, long-term source of tax-effective income. “While seeking a higher yield entails higher risk, this can be mitigated in two important ways. Firstly, by investing only in companies which are financially strong, you both reduce the risk of capital loss and increase the reliability of the dividend stream. Secondly, by taking a long-term mindset, investors are better able to ignore the inevitable short-term vagaries of companies’ share prices and to appreciate the more consistent and growing dividend stream delivered by financially strong companies over the longer term”.

Commenting on the recent Labor Party pronouncements on dividend imputation, Mr Bruce said “Recent feedback from both investors and advisers alike has been almost universally negative. However, whilst any potential developments need to be closely monitored, it would not be sensible for investors to be changing dividend imputation strategies at this point in time”.

About eInvest Income Generator Fund (Managed Fund)

eInvest Income Generator Fund (Managed Fund) is a registered managed investment scheme quoted on the ASX.

EIGA commenced trading with 3,780,250 units on issue, priced at \$4.00 per unit. The fund is open ended and it is expected that the number of units on issue will grow over time.

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Perennial Investment management Limited (PIML) has appointed a market maker, Macquarie Equities for this fund to add liquidity during the ASX trading day and investors should benefit from knowing the indicative net-asset value unit price around the time of purchase.

Bill Anastasopoulos- Company Secretary

Perennial Investment Management Limited

Disclaimer

**The income target is the gross yield based on the unit price at the start of the period, it is inclusive of franking credits. The income target comprises of a 5% cash dividend yield, paid in monthly instalments, and 2% franking credits, payable at year end. The final gross yield is not known until completion of each financial year. The income target is not guaranteed but is a target based on assumptions. Should these assumptions prove inaccurate this will change the final income outcome.*

The Responsible Entity is Perennial Investment Management Limited ABN 13 108 747 637, AFSL: 275101. The Investment Manager is Perennial Value Management Limited ABN 22 090 879 904 AFSL: 247293. This has been prepared by ETF Investments Australia Pty Ltd trading as eInvest Australia ('eInvest') ABN: 88 618 802 912, as the corporate authorised representative (No: 1261447) of Perennial Investment Management Limited. This media release is for information purposes only. Accordingly, reliance should not be placed on this information as the basis for making an investment, financial or other decision. This information does not take into account your investment objectives, particular needs or financial situation. While every effort has been made to ensure the information is accurate; its accuracy, reliability or completeness is not guaranteed. Past performance is not a reliable indicator of future performance. You can download the PDS at www.perennial.net.au/EIGA

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