

## Media Release

### **Equity bull run leaves many over exposed and under-diversified HNW investors benefiting from exposure to alternative investments**

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The bull run in Australia's equity markets has been a magnet to investors with an appetite for simple, cheap and passive investment products, but this approach has led many to ignore the opportunities that alternative assets can deliver, including consistent income and growth.

Kyle Lidbury, Head of Investments Research of Perpetual Private, said that lack of accessibility and understanding of the value of alternative assets to achieving portfolio diversification has created barriers for investors seeking long term income and growth.

"Mainstream assets such as equity and fixed income remain attractive for investors because they are transparent and easy to buy and sell. However, the returns that can be generated from these assets are just the tip of the iceberg.

"We are in a unique environment of low interest rates and low volatility which is favouring growth stocks, but investors are missing out on diversifying their portfolio risk to buffer the impacts of a market correction that could see the tides on equities turn. This is where alternative assets such as infrastructure, private equity, property and absolute return investments can deliver returns that can diversify investors' traditional market exposure and to help them achieve long-term objectives with less risk," Mr Lidbury said.

Access to alternative assets has been historically difficult for many investors because of high fees, opacity of information, complexity of investments and the lack of true alternative options available.

In response to these barriers, the growing need to diversify traditional equity and fixed income risks, as well as the need for consistent income and long-term growth, Perpetual Private developed the Perpetual Income Opportunities Fund and the Perpetual Growth Opportunities Fund for its high net worth client base. Both Funds are celebrating 10-years in market this year and have a combined funds under management of \$1 billion.

"Many high net worth clients appreciate the role these award winning Funds can play as part of a diversified portfolio which are recommended as part of a comprehensive professional financial plan. They are relatively unique funds in Australia, providing investors with diversification and exposure to alternative assets – a space typically only accessible to institutional investors.

"The assets within both Funds span private equity, unlisted property, both listed and unlisted infrastructure, private debt, cash and currency, and absolute returns. These are carefully managed by specialists with deep knowledge and expertise in managing often-illiquid assets to deliver consistent income and growth that can balance and diversify investors' exposure to equities and bonds," said Mr Lidbury.

Last week, Perpetual was recognised as Best Alternative Investment Manager of the Year and its Perpetual Income Opportunities Fund won Best Multi Strategy Fund at the annual Hedge Funds Rock Alternative Investments Awards.

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### **About Perpetual Private**

Perpetual Private provides tailored, holistic financial advice and solutions for successful individuals, families and community-based organisations. Fordham, which is part of Perpetual Private, acts exclusively for private business owners and their families to manage their businesses and build and protect their wealth. Its hallmark is the breadth of services and expertise across multiple disciplines that we offer to clients to meet their often-complex wealth needs at various life stages, and across generations. We are also one of Australia's largest managers of philanthropic funds. For further information, go to [www.perpetual.com.au](http://www.perpetual.com.au)