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MEDIA RELEASE:

Lonsec initiates coverage of IML's Private Portfolio Fund with a 'Recommended' rating

Investors Mutual Limited (IML) is pleased to announce that Lonsec has initiated coverage of the Investors Mutual Private Portfolio Fund (the Fund) with a 'Recommended' rating.

The research report states "this rating is driven by Lonsec's conviction in the Portfolio Manager Tuan Luu. Luu is also well supported by IML's experienced investment team, robust research process with its defensive value proposition."

The Fund was launched in 2018 to mark the 20-year anniversary of IML. Co-managed by portfolio managers Anton Tagliaferro and Tuan Luu, the Fund is an absolute return strategy that aims to deliver positive returns to its investors. The Fund combines IML's skill in fundamental research and stock selection with expertise in tactical portfolio management, and the flexibility to adapt to changing market conditions. The Fund is managed with a very strong focus on risk management and capital preservation and employs prudent market risk management overlays including short positions to hedge risk.

"We are delighted to receive the Recommended rating from Lonsec" said Investors Mutual Investment Director and the Fund's co-portfolio manager **Anton Tagliaferro**.

"It is a very interesting time in the sharemarket - in our opinion some sectors are significantly overvalued, while other companies with a sound track-record of earnings and dividends appear substantially undervalued" commented **Tagliaferro**.

"The IML Private Portfolio Fund is very defensive yet also opportunistic. To achieve this the Fund employs three diversified strategies to generate positive returns across different market conditions – Relative Value, Income and Events which takes advantage of the current active opportunities in M&A and capital raisings." said the Fund's co-portfolio manager **Tuan Luu** summarising the portfolio strategy.

With a track record of over three years, the distribution of the Fund's monthly returns is heavily skewed in favour of positive returns, with over three-quarters (78%) of monthly returns to date having been positive. The median return is +0.8% per month, while negative returns of more than -1% have only occurred in 4 of the Fund's 40-month track record.

"The Private Portfolio Fund is fairly unique in the market and provides a vehicle for risk averse investors who are tempted to 'stay on the sidelines' at a time when interest rates are at zero and where having excess cash cannot help an investor achieve their capital growth and income objectives." said Investors Mutual Head of Retail **Wayne McGauley**.

"The Private Portfolio Fund is an opportunity to provide defensive, lower volatility equity market exposure with a focus on capital preservation and conservative return generation and is suitable for investors seeking a "middle ground" between cash and the sharemarket." McGauley said.

The Fund has also been awarded a Recommended rating by Zenith Investment Partners and a Superior 4.25 star rating from SQM research and is available on Netwealth and Hub24 platforms.

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About Investors Mutual Limited (IML)

IML is a specialist Australian Equities Fund Manager, established in 1998. IML is recognised for its true-to-label 'quality and value' investment style that has been successfully applied since its inception with the aim of delivering consistent returns for clients.

For further information, go to iml.com.au

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