

DNR Capital Australian Equities Income Fund

APIR code: PIM8302AU

Delivering higher levels of tax-effective income and capital growth through our quality investment philosophy



Employee owned
boutique manager



Disciplined focus on
quality companies



Concentrated
portfolios



Focus on growing
\$ income



Dual investment
objective of income
and growth

About DNR Capital and the Fund

→ Concentrated:

Investing in 15-30 highest conviction, Australian listed equities. Concentrated portfolios of quality companies maximise the opportunity for outperformance.

→ Style neutral and quality focused:

A disciplined approach to quality and valuation.

→ Dual investment objective:

Acknowledging the value of both income and capital, this strategy focuses on delivering a high level of tax effective income, that grows over time, in addition to growing the investors capital.

→ A diversified set of opportunities:

At DNR Capital, we categorise income generating companies as:

Growers: A company that is delivering below market income in the short term, however is expected to deliver above market income growth over the long term.

Compounders: A company that is delivering a market level of income, with the potential to deliver above market income growth on a sustainable basis.

Cows: A company with a solid balance sheet and capital management potential that is being under-valued on traditional earnings-based metrics.

Yielders: A company that is delivering sustainable and cash-backed dividends, however with minimal (or no) income growth.

→ Experienced and aligned team:

The portfolio managers have more than 40 years of combined investment experience and are invested alongside our clients.

→ Proven process:

DNR Capital was established in 2001 and a consistent firm-wide investment process has delivered more than 22 years of investment outperformance.

Fund snap shot

Investment return objective:

To outperform the benchmark and deliver higher levels of income over a rolling three-year period. The investment objective is not a forecast of the Fund's performance.

Benchmark: S&P/ASX 200 Industrials Total Return Index

Investment focus: Growing tax-effective dollar (\$) income over time

Size bias: Large cap

Investment horizon: Five years +

Investment strategy: Long only

Style: Neutral with a quality focus

Number of stocks: 15-30

Asset allocation ranges: Australian Equities 80-100%
Cash 0-20%

Portfolio managers: Jamie Nicol and Tim Bingham

Fund facts

Inception date: March 2020

Minimum initial investment: \$20,000

Risk level: This Fund is appropriate for investors with "High" or "Very High" risk and return profiles. A suitable investor for this Fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [Target Market Determination \(TMD\)](#) for further information.

Management fee: 0.90% (inclusive GST and RITC)

Performance fee: Nil

Entry/exit fees: Nil

Buy/sell spread: +0.20%/-0.20%

Valuation and unit pricing frequency: Each business day

Distribution frequency: Monthly

Responsible entity: The Trust Company (RE Services) Limited as part of the Perpetual Limited group of companies.

DNR Capital Australian Equities Income Fund

Investment philosophy and process

DNR Capital believes a focus on quality will enhance returns when combined with a thorough valuation overlay. DNR Capital seeks to identify good quality businesses that are mispriced by overlaying DNR Capital's quality filter, referred to as the 'quality web', with a strong valuation discipline. The Fund seeks to identify quality investments, delivering sustainable, growing income. The Fund seeks to invest in a selection of securities that have high and sustainable dividend capability, strong profit-to-cash conversion, and relatively assured earnings growth. The investment strategy of the Fund is intended to result in a concentrated portfolio that is high conviction and invests for the medium to long-term.

Experienced portfolio managers



Jamie Nicol
Chief Investment Officer
32 years investment experience



Tim Bingham
Portfolio Manager
10 years investment experience

Disclaimers

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How to invest

Invest online directly

dnrcapital.com.au/income-fund/

Invest via platforms

The DNR Capital Australian Equities Income Fund is available on the following platforms:

- BT Panorama
- CFS Wrap/Edge
- Clearstream
- DASH
- Expand*
- HUB24
- Macquarie Wrap
- Mason Stevens
- Netwealth
- Powerwrap
- Praemium

* SMA available on Grow Wrap, Mentor, PortfolioOne, Voyage and Wealthtrac

* Funds available on Expand Essential, Expand Extra, Shadforth Portfolio Services, IOOF, Grow Wrap, PortfolioOne, Mentor, Voyage and Wealthtrac

Ratings

