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THE WEEKEND AUSTRALIAN



PRODUCT
WATCH

QV Equities

WHAT IT IS: It's a new Licensed Investment Company (LIC) whose prospectus offer opened on July 14 and closes on August 8.

WHAT IT DOES: It's managed by industry veteran Anton Tagliaferro of Investors Mutual and his portfolio manager Simon Conn, and aims to find undervalued treasures in the ASX300 that are outside the top 20.

WHAT WE LIKE: This is a long-term play with a recommended investment timeframe of five years. It's chaired by Don Stammer, the veteran investment guru who writes a weekly column in Wealth, and it's going to be more interested in finding companies that pay sustainable dividends with attractive franking credits than backing outsiders.

WHAT WE DON'T LIKE: Not a lot, since Anton Tagliaferro has a solid reputation in this area. We're seeing a big crop of LIC raisings at the moment and the acid test will be whether they can trade around net asset value or limp along at a discount, impressing no one. This one ticks the boxes, however, for retail investors who know that the further you get from the top 10 or 20 stocks, the more you need a professional hand watching out for you. QV's only headache is that its release coincides with Geoff Wilson's Future Generation Investment Fund, which featured in last week's Product Watch and has a significant charitable element.

TARGET: \$200 million, plus attaching \$1 option exercisable on or before March 15, 2016.

Joint lead managers are CBA Equities as arranger, Taylor Collison, Patersons and BBY.

ANDREW MAIN