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Investors Mutual launches new listed investment company: QV Equities Limited

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New LIC looks to invest in ex 20 Australian stocks to provide investors with diversification



Anton Tagliaferro

Investors Mutual have announced the launch of its first listed investment company (LIC) – QV Equities Limited (ASX: QVE). QVE is aimed at providing SMSFs, HNWI investors and their advisers with a diversified portfolio of quality companies outside the top 20 stocks in the ASX 300.

Managed by Investors Mutual, one of Australia's leading value managers with \$4.9 billion FUM and a 16 year track record of consistent performance and distribution payments, QVE will focus on investing in Australian companies outside the ASX top 20.

With many portfolios overly concentrated within the top 20 blue chip stocks, Investors Mutual founder and Investment Director, Anton Tagliaferro said QVE offers investors a prudent vehicle to diversify their portfolio.

"The ex 20 offers more diverse entities in terms of industry sectors, providing a far greater breadth of opportunity," Mr Tagliaferro said.

"QVE will aim to provide investors with a ready made portfolio of high quality stocks with established businesses and with solid growth and dividend prospects. Remaining true to IML's tried and tested investment philosophy QVE will identify and invest in stocks which IML assesses are good value and have the quality attributes of strong competitive advantage, recurring earnings, capable management and can grow their earnings and dividends over time," he said.

QVE offers advisers and investors diversity

QVE also aims to solve the difficulties advisers and investors often face when assessing which stocks to invest in the ex 20 segment. QVE will leverage Investors Mutual's extensive experience and expertise in selecting companies using its in-depth stock selection research.

"We have received overwhelmingly positive feedback from research houses, advisers, accountants and individual investors on the approach and strategy behind QVE," Mr Tagliaferro said.

"The offer complements the increased move we're seeing in the market to direct equities. It also provides a unique solution for advisers and investors as QVE will give diversity to portfolios with a high exposure to the top 20 stocks in Australia. In addition, QVE will be a useful vehicle for many investors and advisers currently using ETFs and index tracking funds.

"QVE has put together a very strong Board who are committed to ensuring QVE delivers on its expectations. Together with Investors Mutual's robust research capabilities and stock selection expertise, we strongly believe that QVE represents a very attractive solution for many investors.

"Importantly, QVE's fee structure is also aligned to shareholders whereby the fee scales downwards as QVE grows and unlike most other recent LIC offerings, QVE will not charge any performance fees to its investors," Mr Tagliaferro concluded.

QVE's offer period will be open from 14 July to 8 August, 2014 with a raising target of between \$100 to \$200 million. The issue has been arranged through CBA Equities who are also one of the joint lead managers to the issue along with BBY, Patterson and Taylor Collison and co manager Lonsec Securities.