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MEDIA RELEASE

IML celebrates 20 years of investing in Australian equities with 20 lessons from the market

Anton Tagliaferro, Investment Director, and the investment team at IML reflect on 20 years of 'quality and value' investing and lessons learnt in Australian equities.

Investors Mutual Ltd (IML) is pleased to announce that 2018 marks 20 years since it started managing money for clients in Australian equities using its quality and value approach. From the tech boom to the tech wreck, through the credit crunch of the GFC to unprecedented quantitative easing and easy money, IML has endured and overcome countless changes, trends and fads.

Setting up as an 'out of touch' fund manager

IML founder, Investment Director and Aussie equities investor, Anton Tagliaferro, commented on the 20-year anniversary of the business he created in May 1998, just as the dot.com boom was taking hold of global share markets.

"It was something of a baptism of fire in the beginning. Markets were running hot on the back of a boom in technology stocks, many of which were purely speculative. At the time, our approach of only owning well-established, quality companies at a reasonable price looked very much out of style – in fact many labelled IML as old-fashioned or out of touch with where the economy was going. It was a challenging time for IML, but our investment approach was well vindicated when the technology sector collapsed and within six months the markets went from a 'tech boom' to what the media began referring to as the 'tech wreck'." said Mr Tagliaferro.

A first in Australia: 20 lessons from 20 years of investing

Mr Tagliaferro said that IML has always had a clear investment philosophy which it has adhered to through the many market cycles of the last 20 years.

"In the last 20 years, we have seen many cycles and gyrations in the share market – starting with the tech boom and bust in IML's early years to the last decade where we saw share markets falling heavily through the GFC. We've seen the Euro crisis with subsequent recoveries in markets as Central Banks cut interest rates to record lows and engaged in quantitative easing.

"Standing consistently by our quality and value investment philosophy of only buying companies with competitive advantage, recurring earnings and capable management at a reasonable price has made IML the company it is today.

"To coincide with IML's 20-year anniversary, the IML investment team has put together what we believe are the 20 most important lessons gleaned from our experiences of investing in the ever-changing markets of the last 20 years.

"These 20 lessons are being released progressively – we believe they are the first of their type that have been put together in Australia, and that they will be of great interest and use to the many investors who are trying to manage their money in what is an increasingly volatile environment." said Mr Tagliaferro.

“The current environment is a challenging one for investors – with lots of liquidity floating around and with the valuation of many stocks, until recently, pushed to very high levels. In addition, the increasing size and influence of quant funds is prompting many very large short-term share price movements often on the back news which is largely irrelevant to many companies long-term fundamentals.

“Despite the volatility and changing market dynamics, we continue to focus on value and quality stocks in a disciplined and systematic way and continue to identify companies with a strong competitive advantage, with recurring earnings, run by capable management that can grow, at a reasonable price – which is what we have focused on since our inception.’

“At this 20-year anniversary, we would like to thank our investors for their continued trust in us, and we look forward to delivering the same level of consistent returns to all our investors in the next 20 years.” Mr Tagliaferro said.

IML’s 20-year anniversary client functions and roadshows commence this week. Investors and advisers can subscribe to the 20 lessons from 20 years series of lessons at <https://www.iml.com.au/20-lessons>

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For more information or to arrange an interview, contact BlueChip Communication:

Jasmine Chen
02 9018 8611
jasmine@bluechipcommunication.com.au

Katy Lithgow
02 9018 8603
katy@bluechipcommunication.com.au

About IML

IML is a specialist Australian Equities Fund Manager, established in 1998. IML is well recognised for its true-to-label investment style that has been successfully applied since inception with the aim of delivering consistent returns for clients. For further information, go to iml.com.au.

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