


GLOBAL VALUE

MICROCAP FUND



MONTHLY PERFORMANCE AS AT 28/02/2021

latest unit price \$1.5403	return since inception 81.88%	return 1 month 3.26%	 monthly currency impact HEADWIND LOW (0-1%)
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FUND OUTLINE







Fund Manager:

Carlos Gil (CIO)

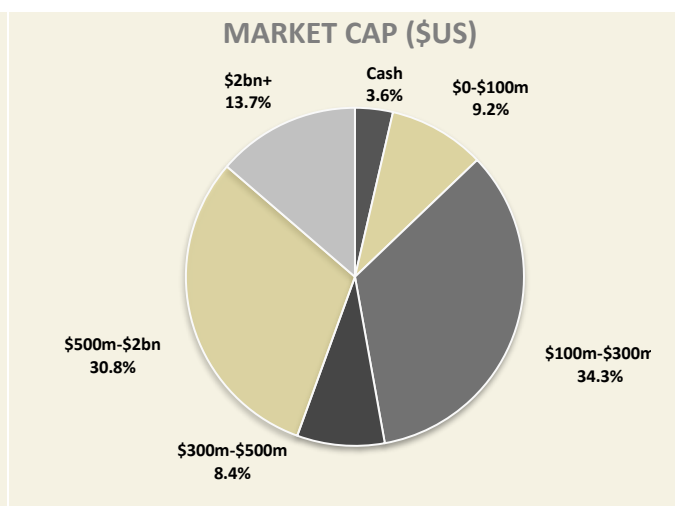
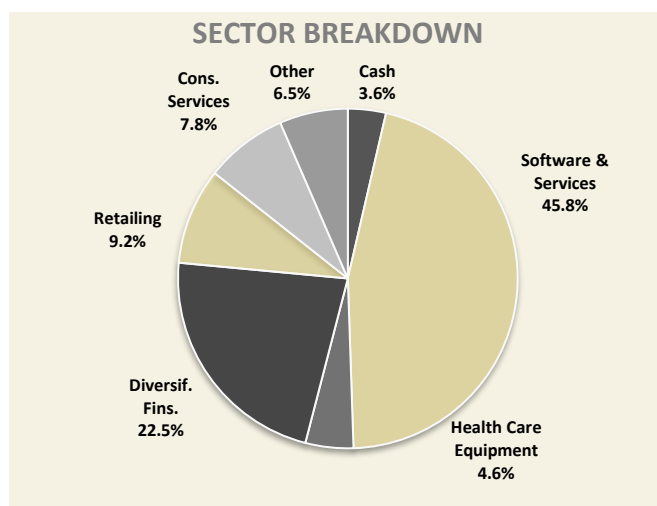
The Global Value Microcap Fund is a wholesale fund investing in a selection of undervalued, profitable and growing companies listed in predominantly advanced economies around the world.

COUNTRY BREAK UP

% of NAV

	United Kingdom	26.6%
	United States	15.0%
	Cont. Europe	45.3%
	Australia	3.4%
	Canada	1.2%
	New Zealand	4.9%
	Cash	3.6%
	Total	100.0%

	Total since inception	Compound p.a. since inception	5 Year	3 Year	2 Year	1 Year	1 Month
GVMF	81.88%	12.07%	12.95%	12.69%	19.24%	34.48%	3.26%



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MARKET UPDATE AND COMMENTARY

The vaccine rollout across the developed world will be this year's biggest stimulus for the world economy reeling from the Covid-19. Outside of Israel, the UK and the US are leading the world vaccination race with the UK already vaccinating 30% of its population, whilst the US has surpassed 20%. Both countries are beginning to phase down differing levels of regional lockdowns and many restrictions are expected to continue to lift over the ensuing months. In addition to the expected demand driven boost that will come from lockdown easing the US economy will be provided with a further stimulant jab. The \$1.9tn coronavirus relief package has been passed by the House of Representatives. The package includes \$1,400 in direct payment to individuals' earning \$75,000 USD or less and \$350b to state and local governments. The entire package will provide further support to the economy. The combination of these forces plus quantitative easing, a highly stimulant monetary setting, is beginning to shift the view on medium term interest rates as capital markets adjust expectations that inflationary pressures will ultimately permeate through the economy. This provides a negative outlook for bond prices which could endure a difficult period of adjustment.

Microequities Global Value Microcap Fund returned 3.26% in February; this brings the total return net of fees to 81.88% for the Fund since inception in December 2015.

It was a busy reporting month for our Fund, with our second largest weighted investment, **LiveChat Software S.A (LVC:WSE)** reporting 3QFY21 earnings. Net sales for the first 9 months of FY21 is +38.1%, EBITDA +35.8% and EPS +54.9%. Also reporting was recently added investee company **ShotSpotter Inc (SSTI: NSDQ)**. The gunshot detection solutions company reported Q4 revenues of \$12.6m USD +16% pcp, flat EBITDA of \$3.1m USD and a net cash position of \$16m. For FY21 the company is guiding revenue increases of between 27% to 31% and we are forecasting underlying EPS growth of 32%.

The investment management team has also taken advantage of a strong rally in travel related companies to sell down part of its stake in **Lindblad Expeditions Holdings Inc (LIND:NSDQ)**. Lindblad's share price has risen by more than 300% over the past 10 months. Part of the proceeds of have been used to acquire a new specialised digital retailer with a strong position in its market vertical. We hope to provide more details about this new investment in the ensuing months as we build up our initial stake.

Projected EPS Growth 1 Year Forward (on a weighted basis)	+21.2%
Projected EPS Growth 2 Years Forward (on a weighted basis)	+10.5%

Number of companies	31
Top 5 Holdings % of NAV	46.0%
Top 10 Holdings % of NAV	65.9%
Top 20 Holdings % of NAV	87.9%
Cash Position % of NAV	3.6%

Important information: This information is not intended to be financial advice. Past performance is not indicative of future performance. Microequities Asset Management Pty Ltd is a corporate authorised representative, number 462438, as appointed by Microequities Asset Management Group Limited holder of AFSL number 287526. Application for units in the Fund is limited to investors that are wholesale or sophisticated investors within the meaning of Section 761G(7) and 761GA(7) of the Corporations Act 2001.