


GLOBAL VALUE

MICROCAP FUND



MONTHLY PERFORMANCE AS AT 30/11/2022

latest unit price \$1.3707	return since inception 63.37%	return 1 month 3.98%	 monthly currency impact HEADWIND MODERATE (1-3%)
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FUND OUTLINE







Fund Manager:

Carlos Gil (CIO)

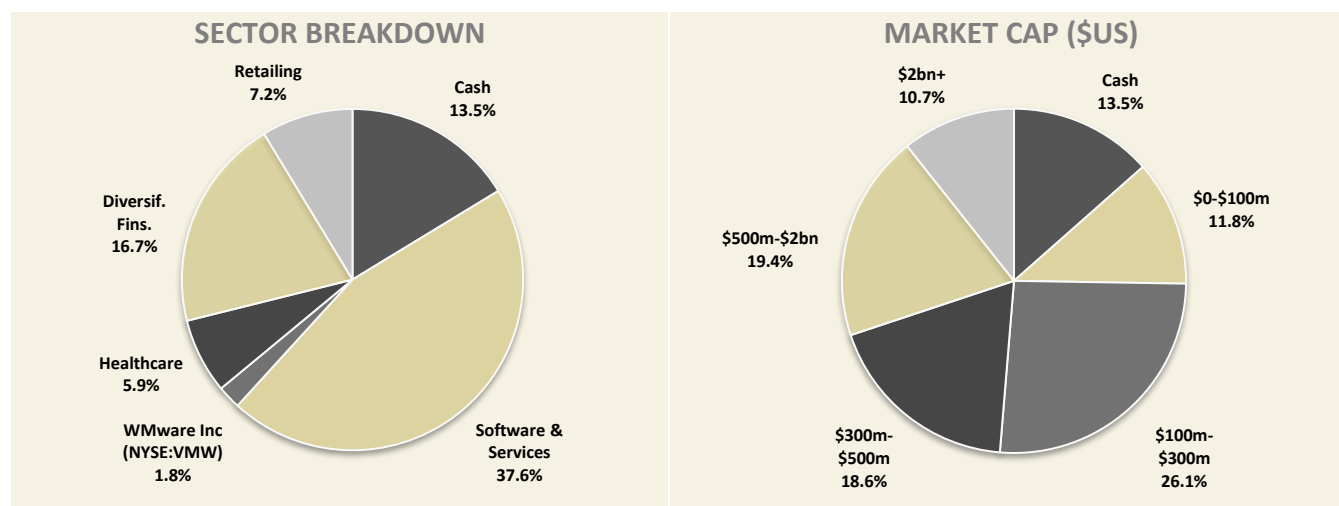
The Global Value Microcap Fund is a wholesale fund investing in a selection of undervalued, profitable and growing companies listed in predominantly advanced economies around the world.

COUNTRY BREAK UP

% of NAV

	United Kingdom	18.1%
	United States	20.7%
	Cont. Europe	30.5%
	Australia	9.3%
	Canada	1.5%
	New Zealand	6.4%
	Cash	13.5%
	Total	100.0%

	Total since inception	Compound p.a. since inception	5 Year	3 Year	2 Year	1 Year	1 Month
GVMF	63.37%	7.26%	5.59%	5.82%	1.67%	-14.87%	3.98%



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MARKET UPDATE AND COMMENTARY

Financial markets continue to postulate that the US Federal Reserve will begin to taper the size of interest rate increases as the heat comes off the US labour market. The thesis was further strengthened after minutes from the last Federal Reserve meeting were released stating “A substantial majority of participants judged that a slowing in the pace of increase would likely soon be appropriate”. We kindly doubt there will be a pivot. Chairman Powell has been consistently hawkish in all his recent public announcements whilst Richmond Federal Reserve Bank president Thomas Barkin has publicly pronounced additional tightening and St Louis Fed president James Bullard has also reaffirmed the need for further tightening. Supply chain issues continue to persist and will contain deflationary pressures whilst China incurs another Covid induced lockdown that will not help. Domestically the Australian labour market remains buoyant with the Australian economy creating 32,000 jobs during the month of October and taking the unemployment rate to a half century low of 3.4%. The Australian labour market is extremely tight and the risks of further wage growth very high. The RBA will raise rates at its next December board meeting, but we think it unlikely to deviate from its 25-basis points path, at least at this meeting.

Microequities Global Value Microcap Fund returned 3.98% in November; this brings the total return net of fees to 63.37% for the Fund since inception in December 2015.

We are pleased to announce that after some very good research work undertaken by my colleagues in the investment management team, we have added two new investee companies to the Fund. One of the companies is a telecommunications business with infrastructure assets in an affluent area of Italy. The other business is a niche manufacturer of safety equipment with high levels of regulation that creates a significant barrier to entry. The business has been profitable and is growing at strong double-digit rates. We believe the long-term growth runway of both businesses to be substantial.

Our Polish diagnostic imaging business **Voxel S.A (WSE:VOX)** reported 3Q23 results with sales climbing to 98.6m PLN (versus 93.7m YoY) and net profit almost doubling to 16.1m PLN versus 8.9m PLN a year ago. The results remain consistent with a thesis, that Voxel remains a unique high quality business that is markedly undervalued compared to other companies that participate in the sector. Our investment in **ThinkSmart Ltd (LON:TSL)** will come to an end during December as we fully exit the investment following the scheme of arrangement.

Projected EPS Growth 1 Year Forward (on a weighted basis)	+16.2%
Projected EPS Growth 2 Years Forward (on a weighted basis)	+20.4%

Number of companies	38
Top 5 Holdings % of NAV	34.9%
Top 10 Holdings % of NAV	51.6%
Top 20 Holdings % of NAV	72.1%
Cash Position % of NAV	13.5%

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.