


# GLOBAL VALUE

## MICROCAP FUND



### MONTHLY PERFORMANCE AS AT 30/04/2023

latest unit price <b>\$1.5540</b>	return since inception <b>85.22%</b>	return 1 month <b>4.77%</b>	 monthly currency impact <b>TAILWIND MODERATE (1-3%)</b>
--------------------------------------	-----------------------------------------	--------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------



#### FUND OUTLINE







Fund Manager:

Carlos Gil (CIO)

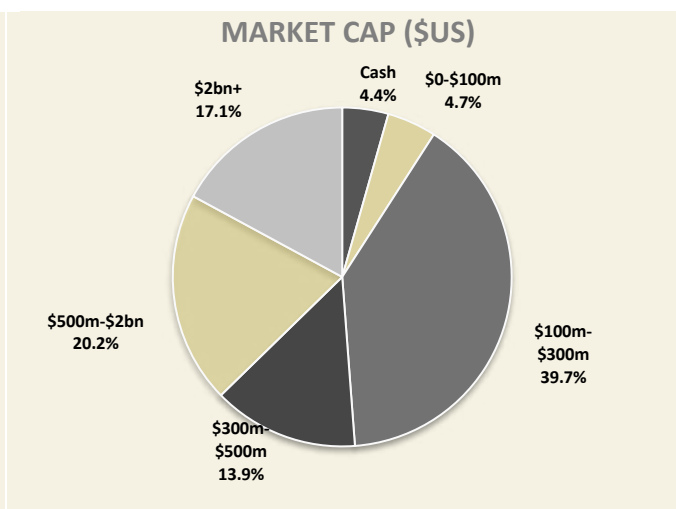
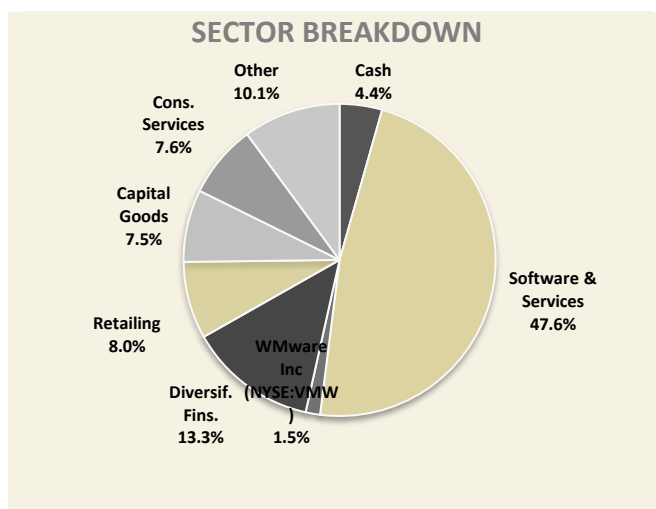
The Global Value Microcap Fund is a wholesale fund investing in a selection of undervalued, profitable and growing companies listed in predominantly advanced economies around the world.

#### COUNTRY BREAK UP

% of NAV

	United Kingdom	18.3%
	United States	25.0%
	Cont. Europe	35.7%
	Australia	6.4%
	Canada	1.6%
	New Zealand	8.8%
	Cash	4.2%
	<b>Total</b>	<b>100.0%</b>

	Total since inception	Compound p.a. since inception	7 Year	5 Year	3 Year	1 Year	1 Month
<b>GVMF</b>	<b>85.22%</b>	<b>8.67%</b>	<b>9.48%</b>	<b>7.09%</b>	<b>17.17%</b>	<b>16.94%</b>	<b>4.77%</b>



# GLOBAL VALUE

## MICROCAP FUND



### MARKET UPDATE AND COMMENTARY

The Chinese economy has started 2023 in a resurgent mood with GDP growing at annualised pace of +4.5%. Pent up consumer demand and industrial production helped boost the Chinese economy as it returns to normalisation following the Covid induced lockdowns. The Chinese government is targeting +5.0% economic growth for 2023 and job creation of 12m jobs. Both targets are attainable, especially considering the government can certainly create strong stimulus. We think China still needs to validate that it can transition its economy to be consumer led instead of a manufacturing export hub. There are some early signs that this is attainable, but the journey is a long one. In Australia, we were surprised to see the RBA not raise rates at the beginning of the month given the strength of domestic employment and the high inflation. Still, the RBA would have welcomed the CPI number released last week, which saw headline inflation fall from 7.8% to 7.0%. The fall in headline inflation is consistent with our call last month that inflation has peaked, though the ensuing decline will be at a modest pace given the tight property rental market, rolling energy price increases and persistently tight labour market.

**Microequities Global Value Microcap Fund returned 4.77% in April; this brings the total return net of fees to 85.22% for the Fund since inception in December 2015.**

The Fund banked the proceeds of the sale of **Adept Technologies Ltd** after the private equity takeover for the company. The timing of this sale has been quite favourable given the number of new opportunities we have added in the Fund over the past 6 months. **On that note, we are pleased to announce that we have made an initial investment into the fourth cybersecurity company in the Global Value Microcap Fund.** The company is headquartered in the UK and provides its identity, data validation, transaction monitoring and fraud detection to a range of enterprises across the world. The initial purchase of this profitable, growing business has been made following a large price fall over the past 12 months, allowing the Global Fund to acquire its investment a deep value price point. Our professional racing helmet producer, **Racing Force SPA (BTI:RFG)** published its FY22 results during the month. The Italy-based business grew its revenues by +26.1% to 58.9m EUR, with EBIT rising by +60.0% to 8.8m EUR. Positively, the company noted that sales for the first two months of FY23 are up double digits over the previous corresponding period. We remain committed to this unique investment opportunity and are in the early phase of our investment journey with the business.

<b>Projected EPS Growth</b> 1 Year Forward (on a weighted basis)	<b>+11.7%</b>
<b>Projected EPS Growth</b> 2 Years Forward (on a weighted basis)	<b>+19.5%</b>

<b>Number of companies</b>	<b>38</b>
<b>Top 5 Holdings</b> % of NAV	<b>37.5%</b>
<b>Top 10 Holdings</b> % of NAV	<b>57.0%</b>
<b>Top 20 Holdings</b> % of NAV	<b>79.5%</b>
<b>Cash Position</b> % of NAV	<b>4.2%</b>

**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.