


GLOBAL VALUE

MICROCAP FUND



MONTHLY PERFORMANCE AS AT 30/06/2023

latest unit price \$1.5755	return since inception 87.78%	return 1 month 0.88%	 monthly currency impact HEADWIND LOW (0-1%)
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FUND OUTLINE







Fund Manager:

Carlos Gil (CIO)

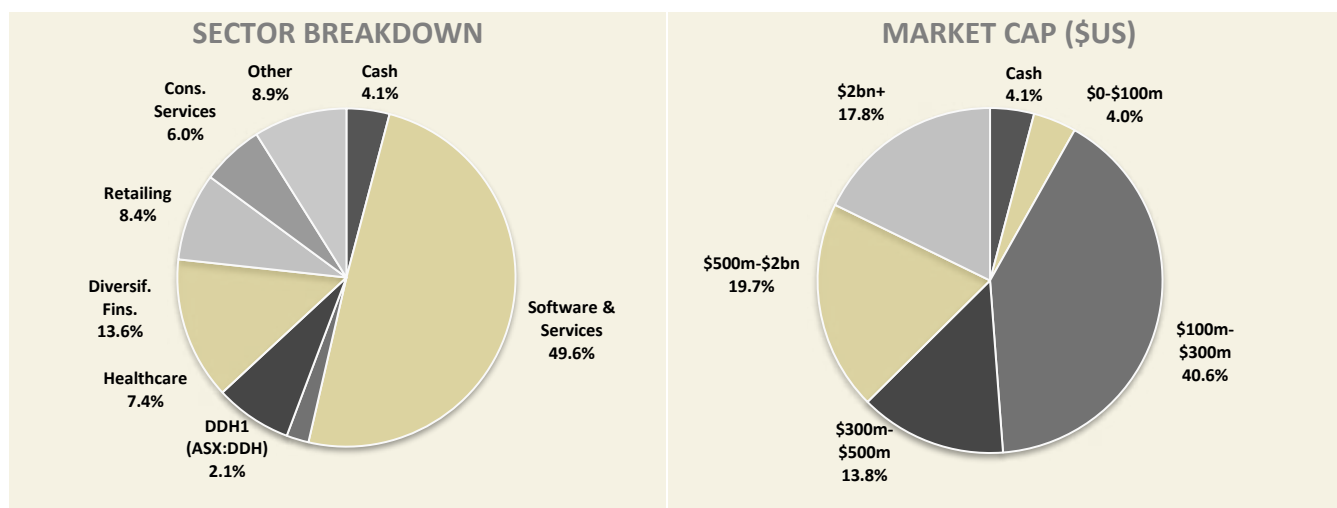
The Global Value Microcap Fund is a wholesale fund investing in a selection of undervalued, profitable and growing companies listed in predominantly advanced economies around the world.

COUNTRY BREAK UP

% of NAV

	United Kingdom	18.6%
	United States	22.4%
	Cont. Europe	35.7%
	Australia	7.3%
	Canada	1.5%
	New Zealand	10.3%
	Cash	4.1%
	Total	100.0%

	Total since inception	Compound p.a. since inception	7 Year	5 Year	3 Year	1 Year	1 Month
GVMF	87.78%	8.66%	10.01%	7.64%	14.53%	28.72%	0.88%



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MARKET UPDATE AND COMMENTARY

We are at a fascinating macroeconomic juncture with opposing tectonic forces colliding with unknown outcomes. In both the USA and Australia, labour markets remain exceptionally strong despite central banks adopting restrictive monetary policies. Naturally, there is always a lag in the time it takes for monetary policy to slowdown economic activity, but the resilience of labour markets is surprising. One key data point in both countries over the month of June was a notable decline in the headline CPI numbers. In the US, headline CPI slowed to 4.0% after peaking at 9.1% less than 12 months ago and core CPI came in at 5.3%. In Australia, headline CPI dropped more than expected from 6.8% to 5.6%, the lowest print in 13 months. Core CPI in Australia fell from 6.7% to 6.1%. In both countries core CPI remains more stubborn than headline CPI, however there is dynamic relationship linking the two datapoints. If headline inflation continues to drop, it will tame inflationary expectations particularly in the labour market which would lead to an eventual fall in the core inflation. How this will play out exactly given the robustness of labour markets remains an interesting question and fascinating topic for economists.

Microequities Global Value Microcap Fund returned 0.88% in June; this brings the total return net of fees to 87.78% for the Fund since inception in December 2015.

One of the four cybersecurity software businesses owned by the Global Value Microcap Fund reported 4Q and full year results during the month. Total revenue increased +17% and non-GAAP operating income rose +16%. For FY24 the company is guiding revenue increase of 14% YoY. The results continue to support the investment thesis for the investment and is consistent with our long term strategic objective of the Fund and in particular the decision to make cyber security a core investment thematic in the Fund.

Vertu Motos PLC (LON:VTU) provided a market update for the first 3 months of trading for FY24. The UK car dealer group delivered 10.8% volume growth in new car retail and mobility with margins steady at 7.9% whilst in the used vehicle segment gross margins rose from 4.3% to 5.0% whilst like for like volumes declined by 5.9%. Services revenues increased +4% versus pcp. The company recently expanded its share buyback program. Vertu is a long term investment that has delivered good returns for our Global Value Microcap Fund and growing dividends, we continue to support the business.

The Global Value Microcap Fund added its 5th investment into a cybersecurity software sector, more details to come next month.

Projected EPS Growth 1 Year Forward (on a weighted basis)	+19.5%
Projected EPS Growth 2 Years Forward (on a weighted basis)	+20.5%

Number of companies	39
Top 5 Holdings % of NAV	39.0%
Top 10 Holdings % of NAV	59.7%
Top 20 Holdings % of NAV	80.5%
Cash Position % of NAV	4.1%

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.