


GLOBAL VALUE

MICROCAP FUND



MONTHLY PERFORMANCE AS AT 31/03/2024

latest unit price \$1.5112	return since inception 106.01%	return 1 month 2.39%	 monthly currency impact HEADWIND LOW (0-1%)
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FUND OUTLINE

Fund Manager:
Carlos Gil (CIO)

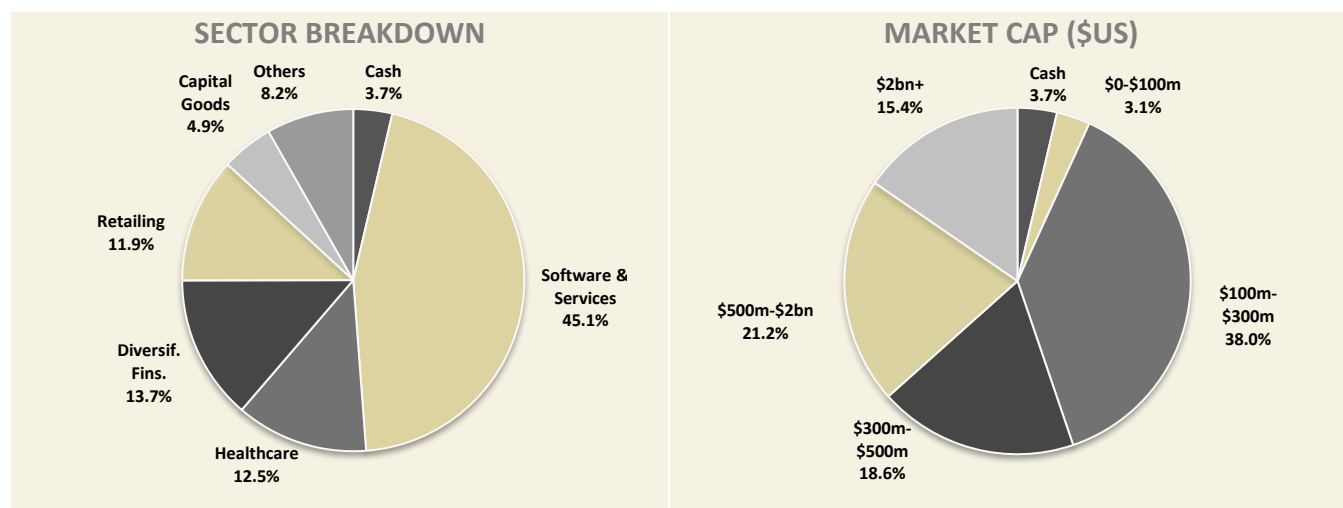
The Global Value Microcap Fund is a wholesale fund investing in a selection of undervalued, profitable and growing companies listed in predominantly advanced economies around the world.

COUNTRY BREAK UP

% of NAV

	United Kingdom	22.5%
	United States	21.4%
	Cont. Europe	37.8%
	Australia	5.0%
	Canada	1.4%
	New Zealand	8.2%
	Cash	3.7%
	Total	100.0%

	Total since inception	Compound p.a. since inception	7 Year Compound Annual	5 Year Compound Annual	3 Year Compound Annual	1 Year	1 Month
GVMF	106.01%	9.06%	9.53%	10.80%	4.36%	16.53%	2.39%



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MARKET UPDATE AND COMMENTARY

The US Federal Reserve, predictably, kept rates on hold for its March meeting. All eyes however were on the wording in the statement and more importantly whether it would continue to signal rate cuts during 2024. It did not disappoint, wording in the official statement said rate reductions would “likely be appropriate” later in the year but under the proviso that the economy “evolves broadly as expected”. The strength of the US economy continues to give the Fed the benefit of time, with the unemployment rate at 3.9% and ongoing economic growth of the US economy is avoiding a pathway to a recession. The Fed therefore doesn’t need to rush into cutting rates, it has the luxury of waiting for more data points that validate the cadence of slowing inflation while keeping a restrictive monetary policy. Domestically, the Australian unemployment rate surprisingly dropped back to 3.7% after the economy created 116k jobs. The strength of the Australian economy has allowed households to navigate through a tough cost of living environment. We continue to see the inflationary outlook in Australia as more challenged than that of the US, with wage growth feeding structural elements into inflationary pressure.

Microequities Global Value Microcap Fund returned 2.39% in March; this brings the total return net of fees to 106.01% for the Fund since inception in December 2015.

With a panoply of underinvested opportunities within our Global Value Microcap Fund the investment management team undertook an extensive review of the portfolio with a view to reallocation of assets to the most compelling investment opportunities inside the Fund. This resulted in the Fund undertaking two divestments to raise cash for other opportunities within the Fund. During the month we divested out of ERP and technology software provider **Oracle Corporation (NYSE:ORCL)** and UK based dual listed bank **Virgin Money UK PLC (ASX:VUK)** following announcement of a recommended takeover by **Nationwide Building Society (LON:NBS)**. Both exits mark successful investments for the Fund and Oracle in particular, which achieved an above target IRR for the duration of the investment.

These divestments have allowed the investment management team to bolster the cash reserves of the Fund as well as topping up on existing opportunities inside the Fund. The Fund closed the month with a cash position of 3.7% and the investment team will look to bring this cash position down to below 2% over the month ahead.

Projected EPS Growth 1 Year Forward (on a weighted basis)	+21.7%
Projected EPS Growth 2 Years Forward (on a weighted basis)	+23.0%

Number of companies	35
Top 5 Holdings % of NAV	37.1%
Top 10 Holdings % of NAV	59.6%
Top 20 Holdings % of NAV	80.8%
Cash Position % of NAV	3.7%

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.