



# GLENNON SMALL COMPANIES LTD

## Investment Report & NTA

July 2017

### Review of the Month

During July 2017 the Small Ordinaries Accumulation Index returned +0.34% while GC1 returned 0.72% for the month. There was limited news during the month as companies prepared to release their full year results.

Companies that performed well over the period include Crowd Mobile CM8.ASX (+32%), CML Group CGR.ASX (+23%) and Shine Group SHJ.ASX (+20%). These companies are at the smaller end of the market capitalisation spectrum and we continue to believe that this is where future returns will be generated.

Crowd Mobile benefited from a capital raising and a subsequent reduction in gearing levels along with an announcement of record revenue growth for the quarter. CML continues to be re-rated as the market realises the impacted of reduced debt costs and a growing underlying business.

We think the domestic economy will remain subdued for some time and that investors need to remain cautious about having broader market exposure. We see that there is significant downside risk in some of the top 100 companies as well as over-owned small caps. We are still seeing many opportunities in the microcap segment of the market where valuations are less stretched and there is more potential for earnings growth

Stock Code	GC1
GC1 Share Price*	\$0.895
GC1 Market Cap	\$42.1
GC1 Cash weight	35%
Number of Holdings	27

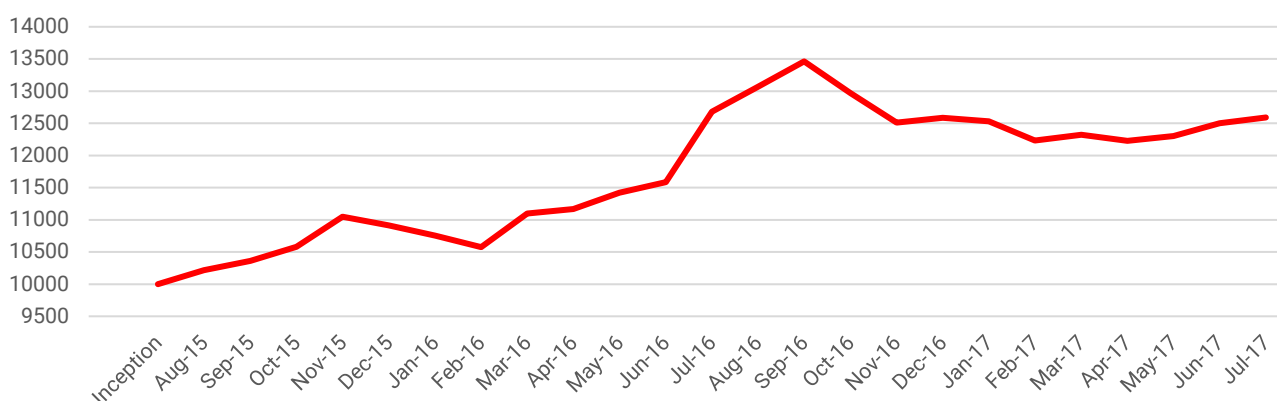
\* as of the 14<sup>th</sup> August 2017

### Net Tangible Assets (NTA)

NTA (before tax)	\$0.9921
NTA (after tax)	\$0.9842

Performance is shown on a gross basis, before expenses and taxes. Past performance is not a reliable indicator of future performance. Inception date is 21 August 2015.

### GC1 Performance



### Investor Communication

GC1 is committed to maintaining communication with our investors. We produce a weekly newsletter, detailing interesting small cap stocks and their movements, as well as insights into the thoughts of our fund management team.

To subscribe to the newsletter, or see our updates, visit  
[glennon.com.au/resources/latest-news/](http://glennon.com.au/resources/latest-news/)

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