



HUNTER HALL

GLOBAL VALUE LIMITED (ASX: HHV)

AUGUST 2017
PERFORMANCE
UPDATE

DESCRIPTION AND FEATURES

Global Value Limited provides access to investments in 30-50 companies, large and small across developed and developing markets via a listed investment company structure.

Investments are made predominantly in companies that deliver stable yet growing free cash flow throughout cycles (which we classify as 'Core' holdings) whilst also taking positions in more cyclical companies ('Cyclical') and those whose valuation has been materially impacted ('Opportunistic').

We avoid investment in companies that in our opinion are harmful to people, animals or the environment.

Portfolio Managers	Jordan Cvetanovski Steven Glass James McDonald
ASX code	HHV
Founded	19 March 2004
Mandate inception	1 July 2017
Asset Class	International Equities
Fees	Management Fee: 1.50% p.a. Performance Fee: 15.38% of any return greater than the MSCI World
DRP	Yes
Share Price¹	\$1.145
NTA (pre-tax)^{1,2}	\$1.1849
NTA (post tax)^{1,2}	\$1.1842
Premium/Discount to pre-tax NTA¹	(3.4%)
Ordinary Shares on Issue¹	244.2m
Benchmark	MSCI World ³

¹ At 31 August 2017.

² The figures are unaudited.

³ MSCI World refers to the MSCI World Total Return Index, Net Dividends Reinvested, in A\$.

INVEST VIA
YOUR
BROKER OR
FINANCIAL
ADVISOR
(ASX: HHV)

PERFORMANCE COMMENTARY

In August, the portfolio delivered 1.22%⁴ while its benchmark returned 0.8%. Our analysis shows that on a relative basis FX was a performance headwind, with the Company benefitting from the depreciating AUD but to a lesser degree than the Benchmark. The key driver of the positive performance was stock selection, while our cash holding was the largest drag on relative performance.

The biggest positive stock contributors were IAC, Novo Nordisk and Apple. IAC's positive returns followed strength in Match Group (IAC owns 80% of Match), following the launch of Tinder Gold. Novo's and Apple's performance followed their 2Q17 earnings results.

The three largest stock detractors were Seeing Machines, Royal Ahold Delhaize and Avita Medical. Ahold's share price declined due to fears of the potential increase in competition as Amazon completed its acquisition of Whole Foods and slashed prices on some products.

There was no news to explain the declines in Seeing Machines' and Avita's share prices.

The most notable change to the portfolio positioning during the month was increasing the Fund's exposure to the Core segment and buying put options over the S&P500 to protect against potential downside risk. The portfolio increased its exposure to the Information Technology and Health Care sectors and reduced its exposure to Industrials.

The Fund has relatively large European exposure and is somewhat overweight Latin America, while it is underweight the US and Asia. As at 31 August the portfolio was approximately 60% invested in Core, 28% in Cyclical, 8% in Opportunistic and 4% in cash. The largest industry exposures were Information Technology (21%), Materials (17%) and Financials (15%).

PERFORMANCE

Net performance for periods ending 31 August 2017⁴

	1 Month	FYTD	Since Inception p.a. ⁵
HHV	1.22%	-0.19%	7.48%
Benchmark	0.8%	-0.84%	6.49%

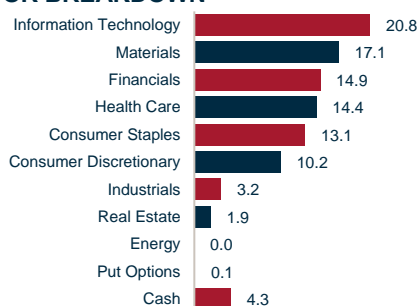
August represented the second month of Global Value Limited being managed under the new investment mandate with the new investment team. The performance since inception in the table above refers to the movement in net assets per share since the inception of HHV in March 2004. See footnotes ⁴ and ⁵ below for further details.

PORTFOLIO INFORMATION

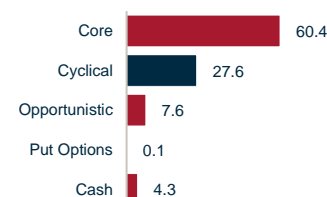
Top 10 Stocks		
Name	Country	Sector
American Express Company	United States	Financials
B&M European Value Retail SA.	Luxembourg	Consumer Discretionary
Celgene Corporation	United States	Health Care
Cigna Corporation	United States	Health Care
Dollar General Corporation	United States	Consumer Discretionary
IAC/InterActiveCorp.	United States	Information Technology
Medtronic plc	United States	Health Care
Novo Nordisk A/S Class B	Denmark	Health Care
Oracle Corporation	United States	Information Technology
Wacker Chemie AG	Germany	Materials

Largest 3 Contributors	Largest 3 Detractors
IAC/InterActiveCorp.	Seeing Machines Limited
Novo Nordisk A/S Class B	Royal Ahold Delhaize N.V.
Apple Inc.	Avita Medical Ltd

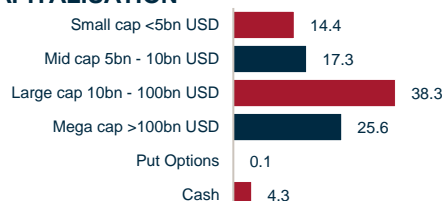
SECTOR BREAKDOWN



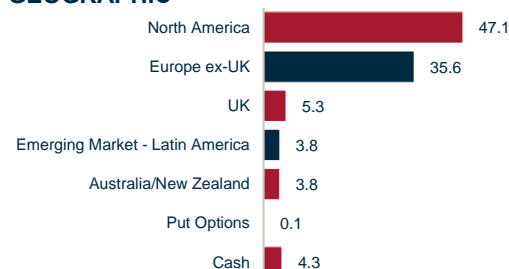
SEGMENT



CAPITALISATION



GEOGRAPHIC



4. Performance figures refer to the movement in net assets per share, reversing out the impact of option exercises and payments of dividends, before tax paid or accrued on realised and unrealised gains. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.

5. Inception date of HHV: 19 March 2004, new investment team with new mandate adopted: 1 July 2017.

None of Hunter Hall Global Value Limited ("HHV"), Hunter Hall Investment Management Limited (ABN 69 063 081 612, AFSL 219462) nor any of their related entities guarantees the repayment of capital or any particular rate of return from HHV. Past performance is no guarantee of future performance. This document has been prepared by HHV and does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered investment advice and should not be relied on as an investment recommendation.

FOR FURTHER
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