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10 December 2019

Company Announcements
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

QV Equities Limited
Monthly Investment Update & Net Tangible Asset Backing

Dear Sir / Madam

Please find attached the monthly investment update & Net Tangible Asset backing per share.

Yours faithfully

Zac Azzi
Company Secretary

Authorised for release by the Company Secretary

Monthly Investment Update & Net Tangible Assets Report

November 2019

QV Equities Ltd.

NET TANGIBLE ASSETS (NTA)* as at 30 Nov 2019	QVE
NTA before tax	$ 1.16
NTA after tax	$ 1.14

*The before and after tax NTA numbers relate to the provision for tax on net profit in addition to deferred tax on the un-realised gains in the Company's investment portfolio. The Company is a long term investor and does not intend disposing of its total portfolio. Under current Accounting standards, the Company is required to provide for tax on any gains that might arise on such a theoretical disposal, after utilisation of brought forward losses. All figures are unaudited and approximate.

PERFORMANCE (as at 30.11.19)	QVE's NTA (pre tax)	QVE's NTA (after tax)	BENCHMARK
1 Month	+3.8%	+2.7%	+3.8%
3 Months	+4.2%	+3.5%	+5.6%
6 Months	+4.0%	+3.4%	+12.1%
1 Year	+10.6%	+8.1%	+28.3%
Since Inception Total Return p.a	+7.5%	+6.4%	+11.9%

QV EQUITIES	
ASX Code	QVE
Listed	22 Aug 14
Shares on issue	271.5 M
Benchmark	S&P/ASX 300 Ex20 Accumulation
Number of stocks	20 – 50
Dividend Frequency	Half yearly
Suggested investment time frame	5+ years
Investment Objective	To provide a rate of return which exceeds the return of its benchmark on a rolling 5-year basis

The above returns are after fees and assumes all declared dividends are reinvested and excludes tax paid from pre tax NTA. Past performance is not indicative of future performance.

SHAREMARKET COMMENTARY

Global equity markets enjoyed another strong month in November with the MSCI World Index gaining +2.9%. the US led the way with the S&P500 index gaining a further +3.6%, its third successive month of gains and new record highs and with the Dow Jones index pushing through the 28,000 level for the first time in its 123-year history. US markets were given a boost in late October with the US Federal Reserve's decision to cut US interest rates for the third time this year, in a bid to reverse the current weakness in manufacturing activity. Furthermore, sentiment was helped by optimism that progress is being made at reaching a US-China trade deal, with both countries intimating a move closer to finalising a "phase one" trade pact, although details remained sketchy. Europe's Stoxx50 and Japan's Nikkei followed Wall Street's lead to also record good months by returning +2.8% and +1.6% respectively. The UK's FTSE 100 index gained +1.8%, with investors hoping that a final Brexit resolution can be reached by a convincing Tory win in the 12th December national election.

Domestically the RBA kept rates on hold at 0.75%, opting for a "wait and see" approach following 3 successive cuts in 5 months. Governor Lowe surprised many with his comments that quantitative easing in Australia could be entertained if the domestic economy remained weak and if local rates were cut to 0.25%, from 0.75% today. Over the month commodity prices rallied with oil and iron ore gaining +2.5% and +4.8% respectively as optimism on a US-China trade deal allayed fears of a slowdown in global economic growth. Conversely, gold fell -3.4% on renewed optimism of the direction of global economic growth.

In line with its global peers the Australian sharemarket, as measured by the ASX300 index, enjoyed a strong month with a gain of +3.2% as the ASX 200 surpassed its previous record highs. The AGM season painted a mixed picture for corporate Australia, whilst some companies are benefiting from a more rational pricing environment within their respective industries, others are clearly doing it tough, beset by lacklustre domestic economic growth.

The ex 20 segment of the market enjoyed a strong month with a gain of +3.8%. The Resources sector was mixed with strength in the Energy sector which gained +7.3% on the back of higher oil prices offsetting weakness amongst gold and base metal mining companies on softer commodity prices such as nickel - which fell -18% over the month on faltering steel output from China and a lifting of an Indonesian nickel export ban impacting the price- which highlights the inherent volatility of investing in commodity markets and resource companies. Within the industrials segment of the market, the Consumer Staples sector had a very strong month gaining +9.4%, led by Coles which gained +8.5% as investors sought stocks perceived as safe that offer a secure yield. In addition, A2Milk also had a good month following a better than expected trading update during its AGM as Chinese demand continued to be strong. The Tech sector also had a strong month gaining +10.6%, with market darlings Afterpay, Xero and Altium continuing their rallies despite very demanding valuations. The Financials sector was given a boost by Virgin Money UK (previously known as Clydesdale Bank) which rallied strongly over the month after the bank reported that no further Payment Protection Insurance (PPI) provisions would be required, in addition to net interest margins stabilizing and bad debts charges continuing to be benign.

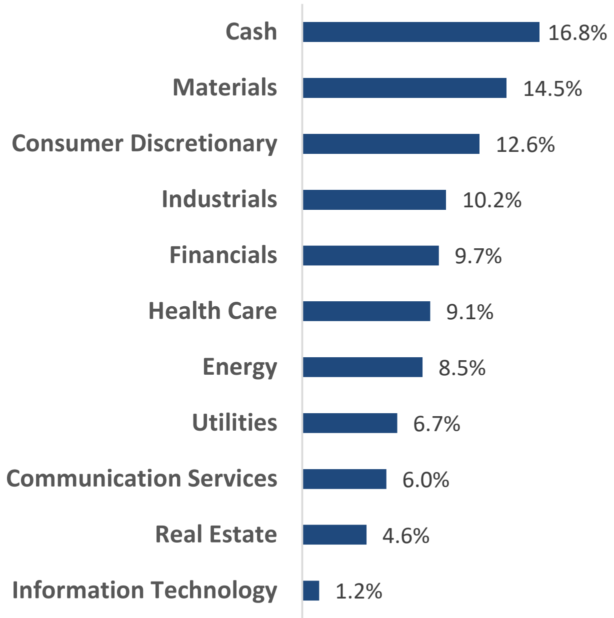
The QVE portfolio gained +3.8%, which was a strong month and in line with its benchmark. Our holdings in good quality companies such as Virgin Money UK, Amcor, GWA, Crown Resorts and Sonic Healthcare all did well over the month and contributed to the portfolio's performance. Furthermore, our holding in Caltex benefited after Canada's Couche-Tard made an unsolicited takeover bid for the company, valuing Caltex at $8.6b or $34.50 per share. Whilst the bid is highly conditional, Caltex has since stated that its Board believes the bid undervalues the company and is now engaging with Couche-Tard by providing certain relevant information.

Over the month we continued to build our position in Ausnet given its solid outlook for the next few years which should help the company maintain a dividend yield of around 6%. We also participated in the placement of Atlas Arteria to add a small holding in the company to the portfolio after the company raised $1.35b to increase its holding in the APRR toll road in France by an additional 6% on top of the 25% already owned. We believe the company is a very high-quality asset, which should provide a very recurring revenue stream through to 2035. Conversely, we used strength in the share prices of companies such as Integral Diagnostics and Sonic Healthcare to trim our exposure to these companies following strong share price appreciation as we believe they are becoming relatively fully valued.

Given the mixed economic outlook going forward and the very strong rally in sharemarkets over 2019 many stocks are beginning to look fairly stretched from a valuation point of view. We continue to focus on good quality companies that we believe represent good value and which we believe can do well over the next 3 to 5 years while continuing to hold a sold weighting to cash as we await better opportunities.

KEY EQUITY INVESTMENTS	ASX Code	Weight
Amcor	AMC	4.8%
Crown Resorts	CWN	4.5%
Aurizon	AZJ	4.4%
Caltex	CTX	4.2%
Sonic Healthcare	SHL	4.1%
Steadfast	SDF	3.5%
Virgin Money UK	VUK	3.4%
Tabcorp	TAH	3.3%
GWA	GWA	3.1%
Orica	ORI	3.0%

SECTOR ALLOCATION



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