



Ethical  
Investments

# Hunter Hall Global Value Limited

ACN 107 462 966

## Monthly NTA and Performance Report

December 2016

### At a Glance

<b>Inception Date</b>	19 March 2004
<b>ASX Code</b>	HHV
<b>Investment Manager</b>	Hunter Hall Investment Management Limited
<b>Benchmark</b>	MSCI World <sup>1</sup>
<b>Asset Class</b>	Global equities
<b>Sector</b>	Small to mid-cap
<b>Management Fee</b>	1.50%
<b>Performance Fee</b>	15.38% of any return greater than the MSCI World, payable yearly (inclusive of GST)
<b>DRP</b>	Yes
<b>Ethical Policy</b>	Negative screen

### Net Tangible Assets (NTA)

CPS	Dec-16	Nov-16
Net tangible asset value before tax <sup>3</sup>	124.90	135.72
Provision for tax on unrealised income and gains <sup>3</sup>	(0.98)	(5.15)
Net tangible asset value after tax <sup>3</sup>	123.92	130.57

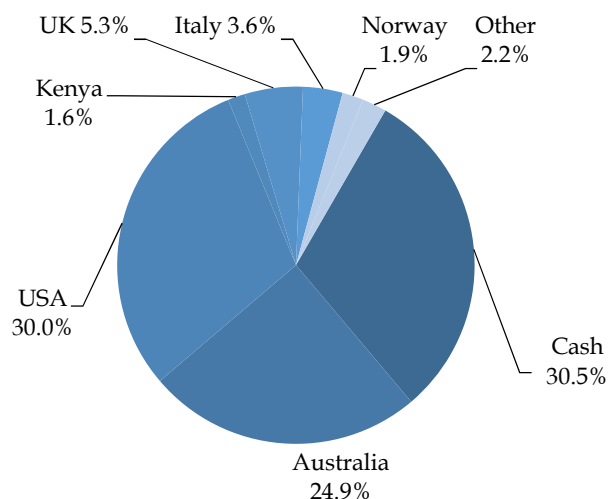
### Company Information

	Dec-16	Nov-16
Premium/Discount to pre-tax NTA	-1.9%	-1.0%
Market Capitalisation	\$298.3m	\$327.1m
Share Price	\$1.225	\$1.343
Ordinary Shares on Issue	243.5m	243.5m

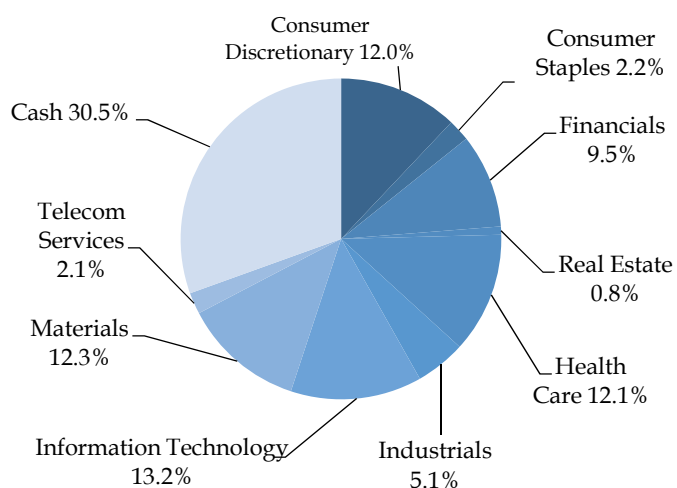
### Performance % (after all fees & expenses)

	1 month	6 months	1 year	Compound Annual Return				
				3 years	5 years	7 years	10 years	Since inception
Absolute Performance <sup>2</sup>	-7.0	-10.0	-1.4	10.6	15.7	8.8	4.5	7.2
MSCI World <sup>1</sup>	4.5	9.8	8.0	11.4	18.4	11.6	4.7	6.5
Relative Performance	-11.5	-19.8	-9.4	-0.8	-2.7	-2.8	-0.2	0.7

### Country Allocation



### Sector Allocation



As at 31 December 2016 the portfolio was invested 44.6% in International Equities, 24.9% in Australian Equities and 30.5% in Cash. The portfolio had an exposure to foreign cash and investments of A\$160m, with 10.8% of the foreign equity exposure hedged back into Australian Dollars by forward foreign exchange contracts.

Note: Figures in this report have been rounded to the nearest appropriate decimal place. For Country and Sector Allocations the aggregate weights for the fund may not equal 100%.

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

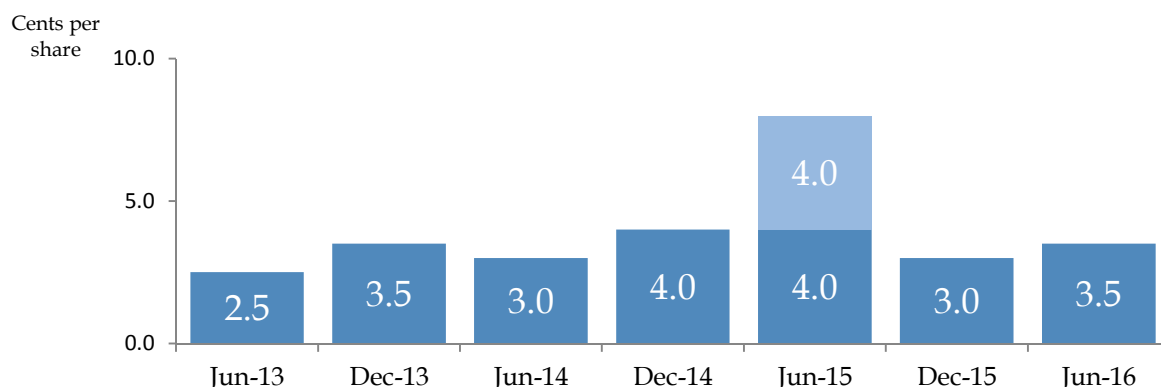
2. Performance figures refer to the movement in net assets per share, including share buy-backs and the reinvestment of dividends, excluding tax accrued but unpaid. Source: Hunter Hall.

3. The figures are unaudited.

## Top 10 Holdings

Company	Business Description	Country of Listing	Area of Principal Economic Activity	Net Assets (%)
Lumentum	optical components	USA	USA	6.0
Sirtex Medical	liver cancer treatments	Australia	USA	5.4
Prada	luxury goods	Hong Kong	Italy	3.6
Foxtons	real-estate broker	UK	UK	3.5
St Barbara	gold producer	Australia	Australia	3.4
Doray Minerals	gold explorer and producer	Australia	Australia	2.6
SRG Ltd	engineering services	Australia	Australia	2.4
SunOpta	organic food	USA	USA	2.2
Vocus	telecommunications	Australia	Australia	2.1
Photocure	medical devices	Norway	Norway	1.9

## Recent Dividend History



The Board is committed to paying a consistent regular stream of fully franked dividends to our shareholders, provided the Company has sufficient profit reserves and franking credits and it is within prudent business practices. Dividends from June 2013 to December 2014 were partly franked, the final and the special June 2015 dividends were unfranked, the December 2015 and June 2016 dividends were fully franked. For more information please visit [www.hunterhallglobalvalue.com.au](http://www.hunterhallglobalvalue.com.au).

## Month in Review

December saw the S&P 500 hit new all-time highs on hopes that President-elect Donald Trump will loosen US fiscal policy. The US Federal Reserve increased rates for the second time since the Global Financial Crisis. Bond yields rose which put downward pressure on the price of gold which generates no yield.

Falling in sympathy, our gold mining holdings were down - St Barbara (-8%), Beadell (-19%), Doray (-14%) and Blackham Resources (-12%).

Sirtex Medical declined 49% after downgrading first half and full year guidance. This was compounded by the CEO Gilman Wong selling shares prior the guidance change. He has subsequently been terminated by the company. Although disappointing developments, we remain confident in the outlook for the company given 3 major clinical phase 3 studies will report in the next 6 months and we expect at least some sub segments of patients to show improved life expectancy from using the treatment.

Other detractors over the month included Australian engineer servicer SRG (-15%) which fell from the previous months 52-week highs, Norwegian pharmaceutical Photocure (-11%), Australian telecom Vocus (-7%) which continued its slide from November's guidance cut and Australian biotech Avita Medical (-8%).

Mitigating further losses, a handful of stocks contributed well. UK industrial thread and consumer textile manufacturer, Coats, settled its underfunded pension liability. With the stock up 57% since our June 2016 entry, we exited the stock late in the month.

At calendar year-end the portfolio held 30.5% of its assets in cash, which was split equally between Australian dollars and US dollars. Our cash position was also a significant drag on relative performance.

## Contact Details

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