

GLOBAL MASTERS FUND LIMITED

MARCH 2015

SHAREHOLDERS' QUARTERLY REPORT

OVERVIEW

The Global Masters Fund Limited (ASX: GFL) share price decreased slightly by -0.64% after its impressive 23.62% gain last quarter. The Net Asset Value (NAV) per share increased by 2.2% and was reported at 174.30 cents per share at 31 March 2015. This compares with the All Ordinaries Index return of 8.78% over the quarter.

PERFORMANCE SUMMARY

The GFL share price was relatively flat over the quarter posting a slight decline by quarter-end. The weakening AUD offset to some degree the fall in the share price of Berkshire Hathaway (BRK). During the quarter, BRK declined by 3.76% while Athelney Trust (ATY) was flat with no change to the share price. The Australian dollar weakened against the Pound Sterling again this quarter providing some gains for GFL, with the overall net market value showing an increase. The investment in Flagship Investments (ASX:FSI) decreased slightly, losing around -0.67% over the quarter.

ECONOMIC COMMENTARY

Currently, the dominant forces at play in the Global economy are firstly, a sharp drop in the price of oil which has been as a result of weak demand and an increase in production; secondly, there has been the shift in US monetary policy, specifically a potential increase in their short term interest rates and; thirdly, we have seen weaker growth in the Eurozone and parts of Asia. The effects of these have been to cause a boost in consumer-purchasing, subdued inflation and an increase in the value of the USD. It is expected that the Federal Reserve is moving closer to its first rate hike in over eight years at a time when dozens of central banks across the globe are easing policy is helping buoy the U.S. currency. While more restrictive Federal Reserve (Fed) policy may push short-term rates higher, weak global growth and the absence of late-cycle inflation pressures will likely keep any tightening moves gradual. The small improvement in the S&P 500 during the quarter of 0.44% ensured that its quarterly winning streak was its longest since 1998, while the NASDAQ's was its longest ever. The Dow registered a slight loss for the quarter declining by 0.26%. The German DAX was again the strongest performer in the Eurozone, posting a 22.0% improvement while the FTSE 100 only increased by 3.2%.

During the quarter, the Reserve Bank of Australia made a cut to the official cash rate, lowering it by 25bps to 2.25%. The move was partially in response to the new 'currency war' between central banks – with over 17 central banks cutting their rates in 2015 thus far. The Australian dollar suffered a third significant quarterly devaluation against the US dollar with a decline of 6.9% and the AUDUSD closed the end of the quarter at 0.761. By comparison, the Australian market improved by 8.8% over the quarter.

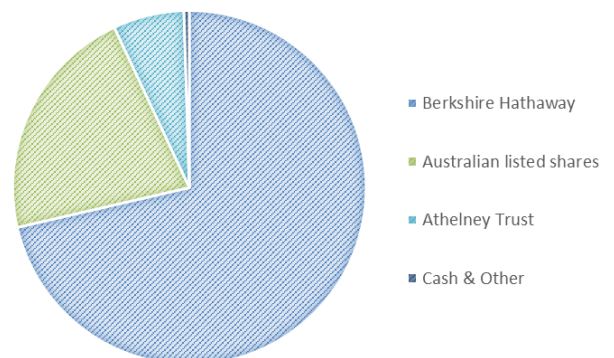
INVESTMENT PERFORMANCE (as at 31 March 2015)

| Quarterly Return (USD) | |
|------------------------|--------|
| Berkshire Hathaway | -3.76% |
| S&P 500 | 0.44% |

| Total Net Market Value of GFL Assets |
|--|
| \$14,952,493 or 174.30 cents per share |

| Quarterly Return (AUD) | |
|------------------------|--------|
| Global Masters | -0.64% |
| ASX All Ords | 8.78% |

ASSET SPLIT



OBJECTIVE

Long-term capital growth by investing in UK & US markets

FEES

Management fee – Nil
Performance fee – Nil

COUNTRIES WHERE LISTED

Australian Securities Exchange:
May 2006

STOCK EXCHANGE CODE

ASX: GFL

DIRECTORS

Jonathan Lancelot Addison (Snr)
Chairman

Dr Emmanuel (Manny) C Pohl
Patrick Corrigan AM

AUDITOR

Joe Pien

REGISTRY

Boardroom Pty Ltd

LEGAL DOMICILE

Australian Securities Exchange (ASX)
Listed Investment Company (LIC)

Global Masters Fund Limited

ABN 84 109 047 618

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