



Ethical  
Managed Funds

# Hunter Hall Global Value Limited

ACN 107 462 966

## Monthly Performance Report

### May 2015

Date	Pre-Tax Net Tangible Assets Per Share	Post-tax Net Tangible Assets Per Share
31.05.2015	1.4120	1.4120

### Absolute and Relative Performance

To 31 May 2015 (%)	1 month	6 months	1 year	Compound Annual Return			
				3 years	5 years	7 years	Since inception
Absolute Performance	6.1	14.7	31.0	24.8	14.0	7.6	8.3
Benchmark – MSCI World	3.4	15.3	28.5	26.7	14.9	7.8	6.8
<b>Relative Performance</b>	<b>2.7</b>	<b>-0.6</b>	<b>2.5</b>	<b>-1.9</b>	<b>-0.9</b>	<b>-0.2</b>	<b>1.4</b>

Source: Hunter Hall. Inception date: 19 March 2004. MSCI refers to the MSCI World Total Return Index, Net Dividend Reinvested, in A\$. Performance figures refer to the movement in net assets per share, including share buy-backs and the reinvestment of dividends, but excluding the effect of option exercises. Past performance is no guarantee of future performance and no guarantee of future return is implied.

### Top 10 Holdings

Company	Main Business	Country	Net Assets (%)
Sirtex Medical	liver cancer treatments	Australia	15.5
M2 Telecommunications	telecommunications	Australia	4.8
G-Resources	precious metal mining	Hong Kong	4.5
Citigroup	bank	USA	3.4
Take Two Interactive	interactive entertainment	USA	3.3
St Barbara	gold explorer and producer	Australia	3.1
Bank of New York Mellon	financial services	USA	2.5
Yahoo	digital content	USA	2.5
Volkswagen	automobiles	Germany	2.4
Apple	consumer electronics	USA	2.3

### Top 5 Contributors

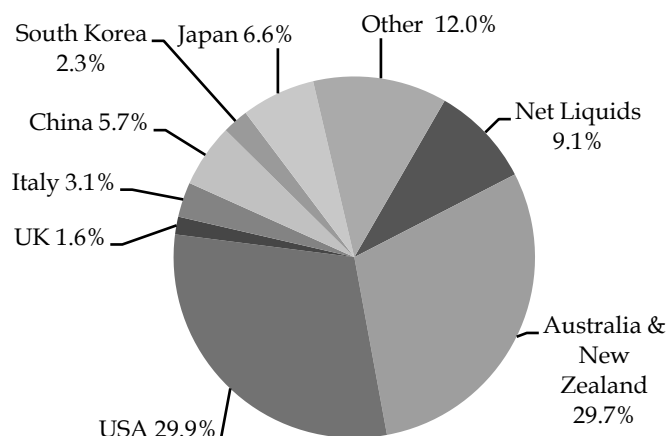
Company	Contribution to Return (%)
Sirtex Medical	3.27
G-Resources	0.84
Take Two Interactive	0.51
St Barbara	0.35
Toho Pharmaceutical	0.34

### Top 5 Detractors

Company	Contribution to Return (%)
Danieli	-0.27
Urban Outfitters	-0.25
Samsung Electronics	-0.20
Hyundai Home Shopping	-0.12
Slater & Gordon	-0.11

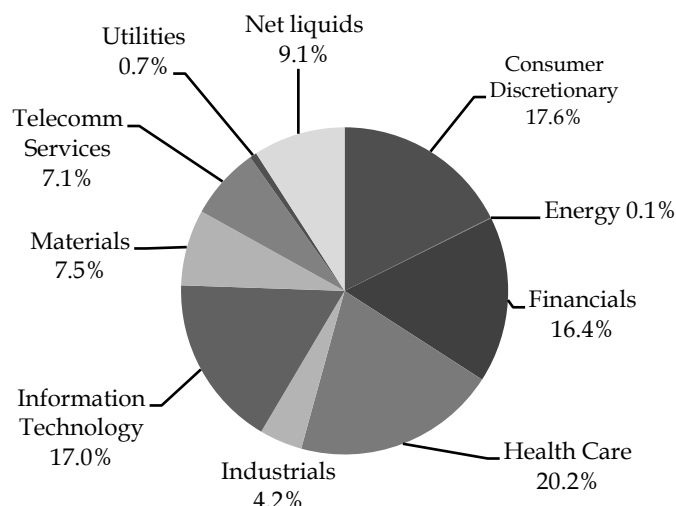
### Country Allocation Breakdown

(as a percentage of net assets)



### Sector Allocation Breakdown

(as a percentage of net assets)



At month-end international equities constituted 62.4% of the Fund, with 19.5% of the foreign currency exposure hedged back into Australian Dollars.

## STOCK IN FOCUS

### Sirtex Medical



Liver cancer treatment company, Sirtex Medical, rose 26% in May after the long-awaited results of the company SIRFLOX trial were presented and divulged in full to the market, via the American Society of Clinical Oncology's (ASCO) annual meeting in Chicago. There was a statistically significant and clinically meaningful improvement in progression free survival (PFS) in the liver, a secondary endpoint. The median PFS in the liver was significantly extended at 12.6 month in the control arm vs. 20.5 months in the treatment arm. The associated Hazard Ratio was 0.69; and 95% Confidence Interval (CI) was 0.55-0.90. Hence, the patients had c.8 months longer PFS in the treatment arm. Clinicians were looking for around a 3 month extension, so in our opinion this was a strong result. Independent clinician feedback from ASCO has also been positive. We believe there will be a number of first-move clinicians that will start to adopt the use of this product for first line treatment (after seeing and approving of the data at ASCO) - which should lead to ongoing strong volume growth. Professor Eric Van Cutsem, MD PhD from the University of Leuven, Belgium and current European Organisation for Research and Treatment of Cancer board member stated: "The SIRFLOX study results provide robust Level 1 evidence for medical oncologists to incorporate in their daily clinical practice". We believe SRX has c.70% market share in an underpenetrated market growing at around 15-20%. Sirtex is up a further 10% in June at the time of writing.

### Take-Two Interactive



Our decision to add to our holding in US software company, Take-Two Interactive (TTWO) in April proved fruitful as the company's share price rose 15% in May, after pleasing March 2015 quarterly results. Revenue jumped 84% to \$428m, excluding abnormal items, helped by strong sales of *Grand Theft Auto V* and *NBA 2K15*. In addition

to the results, the company increased its buyback authorisation to 10m shares (12% of shares outstanding) and noted that buybacks were not taken into consideration for the company's forecasted earnings per share for 2016 of \$0.75-\$1.00. We believe TTWO is uniquely positioned; c35% of market capitalisation is in cash; robust pipeline of titles to come, including *Rockstar* and *Red Dead*; recurring revenue from the truly remarkable strength of *Grand Theft Auto*; the potential for Asian growth; the potential of mobile penetration; and the potential of further margin expansion, which all add up to suggest the company's positive momentum can continue.

### Toho Holdings



Japanese drug wholesalers, Toho Holdings, reported better than expected

March 2015 quarterly results, even beating their own expectations. The company's operating profit of ¥10b, which despite being down 19% year-on-year, was well up from the ¥9b the company had forecast. The key to the performance of the company going forward will be the recovery in recurring profits and improved margins. We believe pharmaceutical wholesalers need to protect margins and not engage in price competition. Toho will likely see improved margins from three areas; firstly, delivery efficiencies and benefits from headcount reductions in 2016 as the logistics centre that has introduced robots finally starts regular operations; secondly, the Kyoso Mirai network of dispensing pharmacies, which is designed to enable the sharing of business, training and hiring data; thirdly, increased sales of the hepatitis C treatment, *Solvadi*, which is due to be carried by only two wholesales; namely Suzuken and Toho. The stock rose 25% in May.

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