



Ethical  
Managed Funds

# Hunter Hall Global Value Limited

ACN 107 462 966

## Monthly NTA and Performance Report

August 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	Aug-16	Jul-16
NTA value before tax provision on realised & unrealised income and gains	149.73	152.93
NTA value before tax provision on unrealised income and gains (pre-tax NTA)	149.01	150.61
NTA value after tax (post-tax NTA)	140.06	141.13

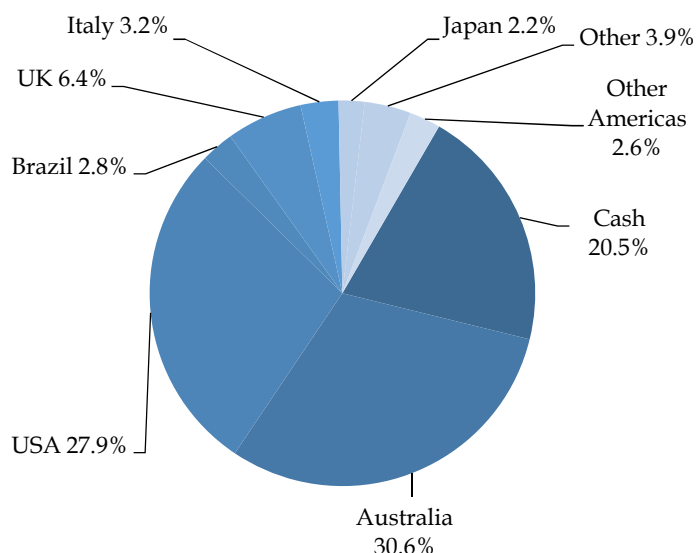
### Company Information

Premium/Discount to pre-tax NTA	-3.4%
Market Capitalisation	\$349.9m
Share Price	\$1.440
Ordinary Shares on Issue	243m

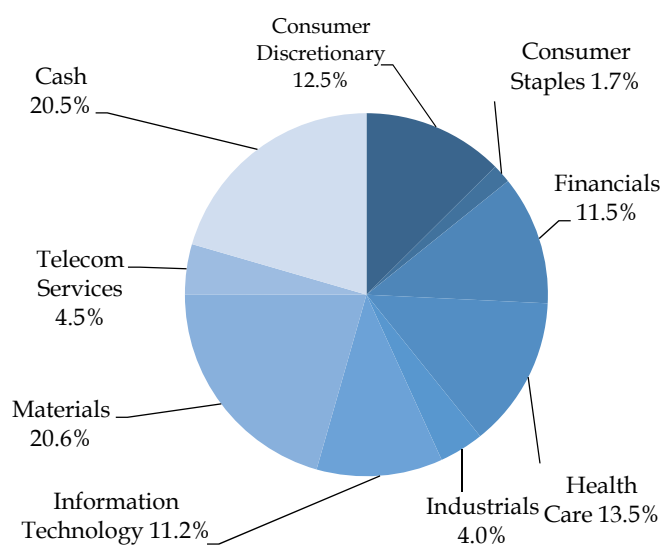
### Performance % (after fees)

	1 month	6 months	1 year	Compound Annual Return				
				3 years	5 years	7 years	10 years	Since inception <sup>2</sup>
Absolute Performance	-2.1	14.9	19.4	19.4	16.7	12.5	6.9	8.6
MSCI World <sup>1</sup>	1.2	6.9	0.6	13.6	17.6	10.8	4.7	6.2
Relative Performance	-3.3	8.0	18.8	5.8	-0.9	1.7	2.2	2.4

### Country Allocation



### Sector Allocation



As at 31 August 2016 the portfolio was invested 48.9% in International Equities, 30.6% in Australian Equities and 20.5% in Cash (predominantly in USD). The portfolio had an exposure to foreign cash and investments of A\$207m, with 14.3% 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%.

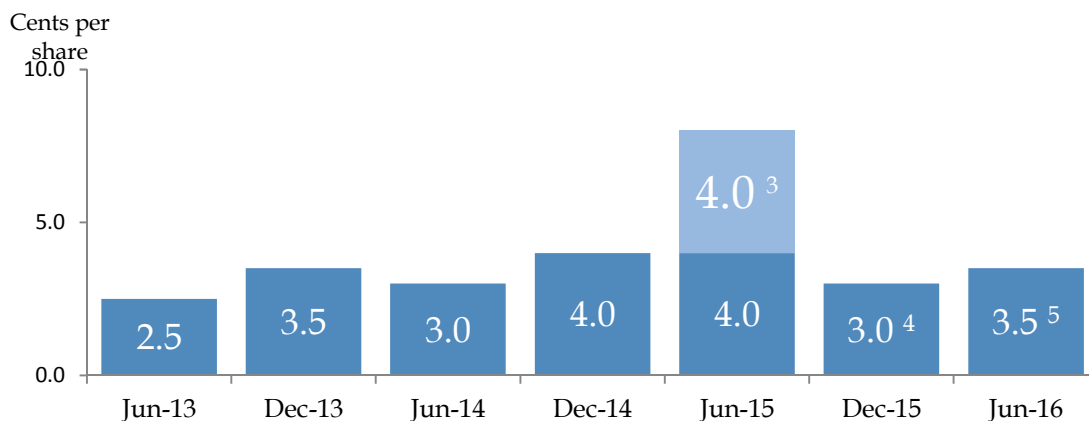
1. MSCI World refers to the MSCI World Total Return Index, Net Dividends Reinvested, in A\$. Performance figures refer to the movement in net assets per share, including share buy-backs and the reinvestment of dividends, but excluding tax and the effect of option exercises. Source: Hunter Hall.

2. Inception: 19 March 2004

## Top 10 Holdings

Company	Business Description	Country of Listing	Area of Principal Economic Activity	Net Assets (%)
St Barbara	gold explorer and producer	Australia	Australia	9.3
Sirtex Medical	liver cancer treatments	Australia	USA	7.5
Vocus	telecommunications	Australia	Australia	4.5
Lumentum	hardware	USA	USA	4.1
Doray Minerals	gold explorer and producer	Australia	Australia	3.5
Prada	fashion	Hong Kong	Italy	2.8
Beadell Resources	precious metals miner	Australia	Brazil	2.8
Foxtons	real-estate broker	UK	UK	2.5
SRG Ltd	engineering services	Australia	Australia	1.9
Avis	car rental	USA	USA	1.8

## 3 Year Dividend History



A new policy of paying six monthly dividends was introduced by the board in 2013.

3. Special dividend  
4. Fully franked  
5. Fully franked. To be paid on 30 Sept 2016

## Month in Review

The HHV portfolio fell by 2.1% in August 2016, underperforming its benchmark, the MSCI World, by 3.3%.

A large part of our underperformance over the month came from our portfolio of Australian gold stocks. While the A\$ gold price fell only 2% in August, hawkish comments from the US Federal Reserve suggesting that it may tighten monetary policy spooked global gold stocks. Furthermore, US government bonds yields rose which strengthened the US dollar. Historically, both issues have a strong inverse relationship with the gold price. In sympathy, Doray Minerals, Beadell Resources, St Barbara and Blackham Resources fell 26%, 28%, 6% and 17%, respectively.

In addition to the macro pressure, Doray released an update on the commissioning of its Deflector copper-gold mine which outlined a metallurgical issue. The oxide ore mined to date contained more native copper than expected. The oxide ore is a very small portion of the ore reserve. We used the opportunity to add to our holding over the month.

Australian telecommunications provider, Vocus reported a solid result for FY2016. Management confirmed that the integration of substantial acquisitions by both Vocus and M2 prior to their merger was proceeding well and good progress is being made on the merger. Despite this, the stock has retraced 14% since the beginning of August but we remain happy holders of Vocus and expect it to continue to add to performance in the years ahead.

US optical components manufacturer, Lumentum (+16%) closed the month at a 52-week high. The company delivered its first independent full year results (since splitting from its parent firm last August). Their sales and earnings per share rose 16% and 65%, respectively, from the previous year and they expect to bring on additional capacity this quarter to meet the increasing demand.

Australian liver cancer pioneer, Sirtex (+7%) reported pleasing FY2016 results. Profit rose 32.8% compared with FY2015. Sales rose 32% over the same period. Despite the 31% share price rise over the past two months, a large, under-penetrated market opportunity lies ahead and the company anticipates double digit results to continue in FY2017.

The Company ended the month with cash accounting for 20.5% of assets.

## Contact Details

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