



MONTHLY REPORT OCTOBER 2022

ASX Announcement Date: 11 November 2022

NTA (before tax)*	NTA (after tax)**	Share price (31/10/2022)	Cash Weighting	Number of Holdings
\$0.76	\$0.76	\$0.605	17.71%	28

* As required by the ASX listing rules, this is the theoretical NTA before providing for the estimated tax on unrealised income and gains, and includes (\$0.072) per share deferred tax asset (comprised of prior years' tax losses and current year tax losses/profits)

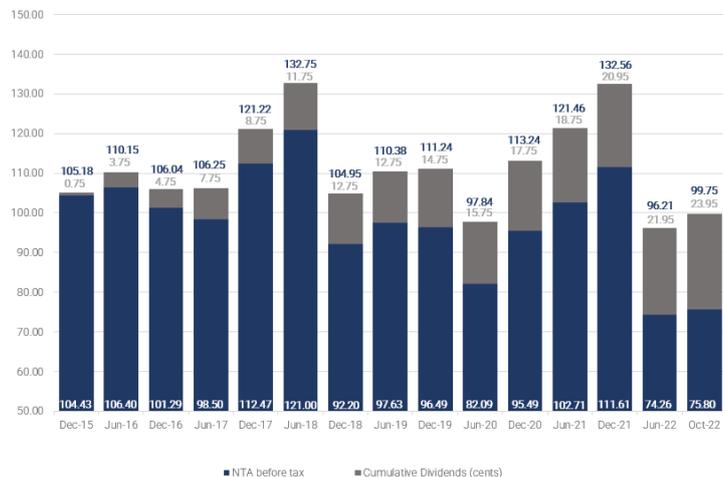
** Includes all tax balances and selling costs

Portfolio by sector

- Financials
- Consumer Discretionary
- Communication Services
- Industrials
- Health Care
- Information Technology
- Materials
- Energy
- Cash



GC1 NTA (Pre-Tax) + Cumulative Dividends



PORTFOLIO REVIEW

The portfolio returned 1.10% for the month while the Small Ordinaries Accumulation Index returned 6.46%, putting the portfolio (-5.36%) behind the index return. Portfolio companies Telix Pharmaceuticals (TLX), Stanmore Coal (SMR) and Lovisa Holdings (LOV), all positively contributed to performance, up 46.51%, 33.33% and 16.42%, respectively. The weaker relative performance over October was largely attributed to the unwinding of strong performance over the previous period. As the broader market rallied over the month, a higher weighting towards cash caused a slight drag on performance. We are starting to see more opportunities to deploy this capital at attractive valuations.

Over the month, we witnessed central banks continue to lift interest rates, with commentary around future hikes remaining hawkish. Globally, inflation continues to be driven by various factors including energy, supply chain issues, labour availability, the Ukraine war, and commodity prices. However, as reiterated in previous communications, we feel that Australia is well-positioned to deal with these impacts relative to foreign markets. As a large percentage of the population is set to be exposed to variable rates, domestic consumers will show a greater sensitivity to rate rises. This is supported by the RBA's most recent decision to raise rates by 25bps, which is significantly lower than the 75bps increase implemented by the U.S. Federal Reserve.

The reporting season in the U.S. continued to promote the transition towards 'Value' orientated stocks, which have lagged their growth counterparts for over a decade. This highlights the significant operating leverage that is embedded within some of these businesses, as previous exponential sales growth has been largely reversed. This is not too dissimilar to some domestic operations. We continue to remain overweight energy and financials, which tend to exhibit defensive characteristics over the economic cycle. Overall, we expect the market to remain volatile in the short term, which will provide additional opportunities for investors with a longer time horizon.

PORTFOLIO PERFORMANCE

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
FY23	12.74%	0.78%	-6.34%	1.10%									7.59%
FY22	1.22%	9.10%	-2.15%	3.38%	-1.85%	5.70%	-11.22%	-7.33%	5.21%	-5.97%	-8.08%	-10.76%	-22.63%
FY21	5.77%	10.10%	-3.16%	2.08%	7.93%	1.18%	1.22%	2.54%	-1.95%	9.62%	-4.15%	2.46%	37.74%
FY20	2.39%	-3.28%	0.62%	-1.22%	2.46%	-0.03%	3.14%	-8.86%	-21.32%	6.39%	6.70%	-3.47%	-18.29%
FY19	1.61%	0.74%	-1.11%	-12.57%	-1.97%	-11.36%	2.07%	4.81%	-0.39%	5.63%	-3.04%	1.25%	-15.00%
FY18	0.72%	1.21%	3.00%	7.70%	0.43%	4.01%	1.45%	2.27%	-2.38%	-2.14%	8.63%	2.55%	30.39%
FY17	9.42%	3.06%	3.03%	-3.65%	-3.55%	0.58%	-0.41%	-2.39%	0.74%	-0.78%	0.62%	1.68%	7.96%
FY16	-	1.80%	1.23%	2.24%	4.38%	-1.57%	-1.58%	-1.31%	5.55%	0.63%	2.28%	1.43%	15.87%

TOP HOLDINGS DETAILS (ALPHABETICAL ORDER)



Dicker Data

ASX: DDR

Dicker Data is an Australian-owned and operated, ASX-listed technology hardware, software, and cloud distributor with over 40 years of experience. Dicker Data distributes a wide portfolio of products from the world's leading technology vendors, including Cisco, Citrix, Dell Technologies, Hewlett Packard Enterprise, HP Inc, Lenovo, Microsoft and other Tier 1 global brands.



Healthia

ASX: HLA

Healthia Limited is an integrated group of health-based companies whose mission is to enrich the lives of people through world-class health services. Services include podiatry services, physiotherapy services, hand and upper limb rehabilitation, orthotic manufacturing, and podiatry and foot care products distribution.



Lovisa

ASX: LOV

Lovisa Holdings Limited is a fast fashion jewellery retailer in a number of international markets. Lovisa provides fashion with different earrings, hair bands, necklace, wrist and ring and body fashion.



Metgasco

ASX: MEL

Metgasco is an active onshore oil and gas exploration company with world class onshore exploration licences in the Premier Cooper Eromanga and Perth Basins. Metgasco's last three wells (Vali-1 ST1, Odin-1, Vali-2) have a 100% record of discovering gas.



Neuren Pharmaceuticals

ASX: NEU

Neuren Pharmaceuticals is a clinical stage drug development company focused on drugs to treat disorders of the Central Nervous System.



Pacific Smiles Group

ASX: PSQ

Pacific Smiles Group Limited operates dental centres at which independent dentists practice and provide clinical treatments and services to patients. Revenues and profits are primarily derived from fees charged to dentists for the provision of these fully serviced dental facilities.



Revolver Resources

ASX: RRR

Revolver Resources is a copper exploration company focused on the development of natural resources for the world's accelerating electrification. Its near-term focus is the exploration and development of advanced copper projects in Queensland.



Sequoia Financial Group

ASX: SEQ

Sequoia Financial Group is an integrated financial services company providing products and services to self-directed retail and wholesale clients and those of third-party professional service firms.



Whitehaven Coal

ASX: WHC

Whitehaven Coal Ltd engages in the production of metallurgical and thermal coal. It operates open cut and underground coal mines in New South Wales and Queensland.

HOW TO INVEST

Glennon Small Companies Limited shares are traded on the Australian Securities Exchange (ASX) under the ticker code 'GC1'.

Glennon Small Companies Limited Resettable Redeemable Convertible Preference Shares (RRCPS) are traded on the ASX under the ticker code 'GC1PA'.

GENERAL ENQUIRIES

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