

Investment Update and Net Tangible Assets

Net Tangible Assets (NTA) per share*

NTA before tax	\$1.1168
NTA after tax	\$1.0812

* NTA figures are not adjusted for outstanding options. Adjusting for outstanding options the diluted NTA before tax would be A\$1.0586/shr.

February review

February saw a return of risk appetite driving global asset class returns. Equity markets around the world were uniformly strong, with the MSCI World Index rising 5.9%. Meanwhile global bond prices were generally weaker, with yields in most of the main sovereign debt markets rising from their January lows, particularly in the US and UK. A notable exception to this was Australia. February saw the lowest Commonwealth borrowing rates since Australian federation, with the benchmark 10-year bond yield reaching 2.28% at one point.

Looking forward a divergence in the trajectories of rich world interest rates is set to be a significant market force in asset class returns. Improving economic growth rates in the US and the UK have moved these economies tantalisingly close to “escape velocity”, while in Europe and Japan continued stagnation has led to the implementation of ever more aggressive quantitative easing programs. The result has been a significant separation in major global interest rates. While Australia remains a long way from needing to engage in quantitative easing, in a relative sense it sits in the latter camp, with a slowing economy and a central bank now seeking to ease monetary conditions. February saw the RBA cut its benchmark policy rate, a move few would have expected several months ago.

This divergence in global interest rates has been a significant driver of recent moves in currencies like the Euro and the Australian dollar. The yield difference between the benchmark 10-year Australian government note and its US counterpart has fallen from 1.4% to 0.5% over the past year. While at -1.7% the divergence between 10-year German and US government notes is now as wide as it has been since the fall of the Berlin Wall. It is no coincidence that the weakness of both currencies has accelerated as these moves have taken place.

Beyond the impact on currencies, debt and equity markets should continue to adjust to a new situation where global liquidity is still abundant, but no longer coming uniformly from the main central banks. While the US Fed has ended its purchase of government debt, the Bank of Japan is buying around ¥80 trillion of long-term Japanese government bonds a year, over twice the rate of annual issuance. In aggregate global liquidity remains supportive of asset prices.

The fund's investment portfolio increased by 1.27% during February. Approximately half of this gain came from the fund's discount capture strategy with the balance of returns attributable to the fund's underlying investments and firmer equity markets. Adverse currency moves detracted 0.5% from the investment performance over the month.

The company's post tax NAV was further increased during the month through the placement of 6.9M shares and options at a premium to the company's net asset value. The placement was accretive to NAV per share on both an undiluted basis, and when fully diluting for the impact of options.

Global Value Fund Limited

ASX Code	GVF
Listed	July 2014
Shares on issue	62M
Share price	\$1.095
Market cap	\$68.0M
Options outstanding	62M
Option exercise price	\$1.00
Options expire	March 2016

Company overview

The Global Value Fund (ASX: GVF) is a listed investment company that provides shareholders with the opportunity to invest globally through a portfolio of securities purchased at a discount to their underlying asset value. By capturing this discount for its investors the manager aims to provide an alternative source of market outperformance compared to more common stock selection strategies.

It is the Board's intention to pay a regular fully-franked dividend once the Company is in a position to do so.

Investment Manager

Metage Capital is a London based investment manager with considerable experience in finding international assets trading at a discount to their intrinsic value and in identifying, or creating, catalysts to unlock this value.

Investment Management

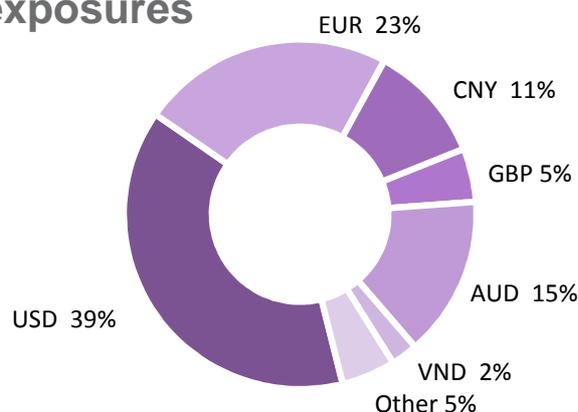
Miles Staude, CFA
Fund Manager, Global Value Fund
Metage Capital
Investment Team

Board of Directors

Jonathan Trollip
Chairman
Chris Cuffe
Non-executive Director
Geoff Wilson
Non-executive Director
Miles Staude, CFA
Non-executive Director



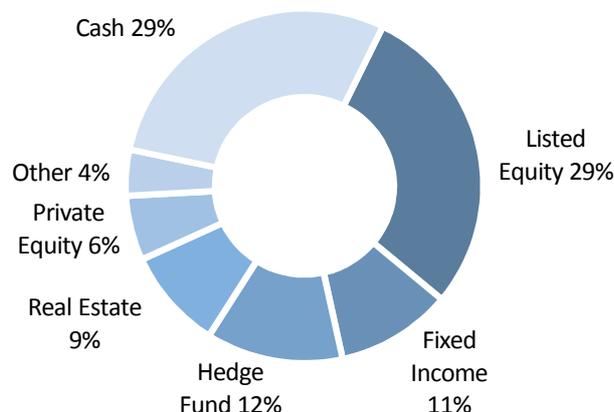
Underlying currency exposures



The above chart reflects the manager's estimate of the currency exposures arising from the portfolio's underlying investments and cash balances as at the 28th of February.

Including emerging market currencies that are chiefly pegged to the US\$ (such as CNY), the fund's US\$ exposure is approximately 54%.

Underlying asset classes



The above chart reflects the manager's estimate of the underlying asset classes held through the fund's portfolio of investments as at the 28th of February.

Top Five Holdings

Holding	% NTA	Summary
CQS Diversified Fund	6.7%	CQS Diversified is a London listed closed-end fund providing access to open-ended hedge funds run by the same manager. Shareholders have recently voted to liquidate the fund and we expect to receive the proceeds by the end of July.
Pacific Alliance China Land	5.7%	AIM-listed CEF investing in Chinese property-related assets and loans with significant structural downside protections built into its investment holdings. Recent move into realisation provides catalyst for elimination of discount.
Boussard & Gavaudan Holdings	5.7%	Amsterdam-listed CEF that acts as a feeder fund into the BG Master Fund, a Europe-focused multi-strategy hedge fund. The BG Master Fund is the flagship fund for Boussard & Gavaudan, a French fund management firm with c. €1.7 billion of FUM. The position was acquired at a discount in excess of 21%. The manager is committed to an active share buyback program which along with other catalysts should serve to reduce the discount.
Vinaland Limited ZDP	5.2%	A GBP zero-dividend preference share offering an attractive fixed return over the period to December 2016, heavily collateralised by the assets of an AIM-listed CEF. Various mechanisms exist to enhance the credit of the ZDP and there is additional upside from the likelihood of early repayment at an above market price.
Undisclosed	4.6%	Asian listed CEF investing in a diversified portfolio of Asian equities. The position has been accumulated at an average discount to net asset value of wider than 20%.