

Investment Update and Net Tangible Assets

Net Tangible Assets (NTA) per share

NTA before tax	\$1.1085
NTA after tax	\$1.0928

\$ denotes Australian dollar.

December review

December saw no easing to the current upbeat tone in global financial markets, with most financial asset classes registering monthly gains. Emerging market equities, commodities and commodity currencies were particularly strong during the month. The MSCI Emerging Markets equity index increased by 3.6%, while benchmark commodities like Oil, Iron Ore and Copper increased by 5.2%, 12.5% and 7.2% respectively. Following commodity prices higher, the Australian dollar increased in value by 3.3% against the US dollar, in line with similar moves seen in other commodity currencies.

Global equity markets recorded their 14th consecutive monthly gain, with the MSCI All Country World index increasing by 1.6% in US\$ terms. In Australian dollar terms however, these gains were more than offset by the rise in the currency over the month. In Australian dollar terms, the MSCI All Country World Index decreased in value by 1.6%.

A backdrop of continuing global economic strength continues to be the main driver behind the upbeat tone in financial markets. In the US, the Federal Reserve raised interest rates for the third time during 2017, increased their GDP growth forecasts for 2018 from 2.1% to 2.5%, and guided that they expected to raise rates three more times during 2018. Separately, President Trump signed into law sweeping tax reforms, with the headline US corporate tax rate falling from 35% to 21% beginning from the 1st of January 2018. In Australia, the November employment report released during the month was notable, with employment gains of 61.6k recorded, well ahead of consensus estimates of 19k.

During December, the fund opened two new positions and successfully exited 17.1% of one of its larger holdings through a corporate action, which occurred 17% above the prevailing market price.

The investment portfolio decreased in value by 0.9% during December. The fund's discount capture strategy added 0.6% to returns during the month while the rising Australian dollar detracted 2.1% from performance. The remaining attribution of returns is accounted for by favourable underlying market movements and operating costs.

A list of the Global Value Fund's current top five holdings is shown on the following page, along with a breakdown of the fund's underlying currency and asset class exposures. The fund was 92.7% invested at the end of December.

Global Value Fund Limited

ASX Code	GVF
Listed	July 2014
Shares on issue	122M
Share price	\$1.17
Market cap	\$142M
FY18 indicated dividend ¹	6.3 cents
FY18 indicated yield (50% franked)	5.4%

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 regular dividends so long as the Company is in a position to do so.

Investment Manager

The portfolio management team is based in London and has 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

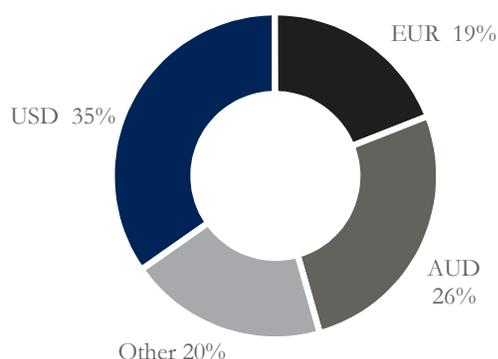
Miles Staude, CFA
Fund Manager, Global Value Fund

Board of Directors

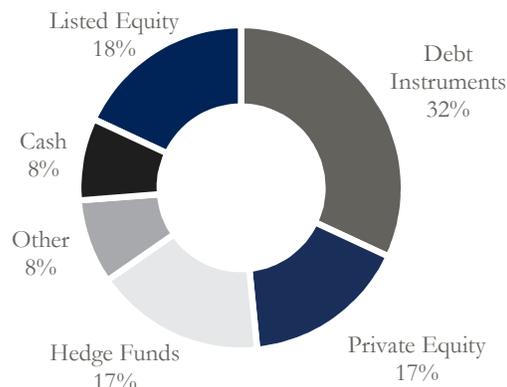
Jonathan Trollip
Chairman
Chris Cuffe
Non-executive Director
Geoff Wilson
Non-executive Director
Miles Staude, CFA
Non-executive Director



Underlying currency exposures



Underlying asset classes



The above chart reflects the manager’s estimate of the currency exposures arising from the portfolio’s underlying investments and cash balances as at 31st December.

Including emerging market currencies that are chiefly pegged to the US\$, the fund’s US\$ exposure is approximately 44%.

The above chart reflects the manager’s estimate of the underlying asset classes held through the fund’s portfolio of investments as at 31st December.

Exposure to cash represents both cash balances held by the Company and the underlying cash holdings of the fund’s portfolio of investments.

Top Five Holdings

Holding	% NTA	Summary
DW Catalyst Fund	6.8%	London listed closed-end fund (CEF) that acts as a feeder fund into a US\$2.3bn multi-strategy credit fund spun out from Brevan Howard. The position has been accumulated at an average discount to net asset value of greater than 10%. In August 2017 shareholders voted to wind up the company and return capital progressively throughout 2018.
Deutsche High-Income Opportunities Fund	6.3%	A New York listed CEF with a diversified corporate bond portfolio, mainly concentrated in the United States. The Fund is in the process of liquidating and expects to return capital to shareholders in March 2018. GVF has accumulated its position at an attractive discount to NAV.
Third Point Offshore Investors	6.2%	London listed CEF that acts as a feeder fund into a global event-driven, value-oriented hedge fund. The position has been accumulated at an average discount to net asset value of greater than 18%.
Carador Income Fund	6.1%	London-listed CEF that holds a diversified portfolio of equity and mezzanine tranches of CLOs, backed by senior secured leveraged loans. We expect to be able to unlock value from this investment via a near-term corporate action.
Pacific Alliance China Land Ltd (AIM)	5.3%	London-listed Chinese real-estate CEF in liquidation. All of the Company’s real estate assets have been sold and it is now in the process of repatriating its Renminbi cash balances out of China and returning its capital to shareholders. The position has been accumulated at an average discount to NAV of 20.1%.

¹ The Board has guided that it anticipates FY18 dividend payments being at least 6.3 cents per share, 50% franked. This guidance is not a formal declaration of dividends for FY18, and whether a FY18 dividend is paid will be subject to the Company having sufficient profit reserves and prudent business practices.

Unless otherwise stated, source for all data is Bloomberg LP and data as at 31st December 2017.

Staupe Capital Limited is an appointed representative of Mirabella Advisers LLP, which is authorised and regulated by the Financial Conduct Authority. Mirabella Financial Services LLP is the investment manager of the Global Value Fund and has seconded the investment team at Staupe Capital to manage the Global Value Fund. This information is not an offer to buy or sell, or solicitation of an offer to buy or sell, any security or investment. Investors should read the Fund prospectus before making a decision to invest. Past performance is not an indicator of future returns.