

Investment Update and Net Tangible Assets

Net Tangible Assets (NTA) per share*

NTA before tax ¹	\$1.1764
NTA after tax	\$1.1253

¹ This is after the deduction of a 2.0 cents per share dividend that was paid on the 6th of November and is after providing for tax payable relating to FY2015.

* NTA figures are not adjusted for outstanding options. Adjusting for outstanding options the diluted NTA before tax would be \$1.1039/shr and the diluted NTA after tax would be \$1.0738/shr.

October review

October marked the end of the worst global share market correction in four years. During the 3rd quarter of 2015 the MSCI AC World Index corrected by 11.5%, its worst quarterly performance since 2011. October however marked a significant return in risk appetite. This was largely driven by changes in market expectations as to the future course of action at both the ECB and the Fed. Continued poor inflation data from Europe has led to a growing expectation that the European Central Bank will soon announce an expansion in its quantitative easing program, while in the US, expectations of an increase in interest rates were pushed back. Together both of these changes to previous market expectations amounted to significant monetary stimulus, driving share markets sharply higher over the month. In local currency terms share markets in the US, Europe and Australia rose by 8.4%, 9.4% and 4.4% respectively, while the MSCI All Country World Index rose by 6.0% in Australian dollar terms.

Away from the markets, one of the more surprising news stories during October was that there was an early agreement on a new US budget deal between Republican and Democrat politicians. The US Treasury had been projected to run out of cash sometime during November and given the brinkmanship of recent years another protracted period of government shutdown, with the threat of a US default hanging over the market, had seemed like a highly likely possibility.

The fund had the opportunity to exit a number of successful investments during October, including an investment in a US listed fund, the Global High Income Fund. We had built a position in this fund at an average discount to net asset value of 14%. During the month the Board of the fund announced that it would put forward a resolution to liquidate the fund and return all the proceeds to investors. On the back of this announcement we were able to exit the position in full at a 5% discount.

The investment portfolio increased in value by 2.4% during October. The fund's discount capture strategy added 2.6% to returns during the month, while adverse currency moves detracted 1.2%. The balance of the fund's returns are attributable to underlying market movements and operating costs.

The fund was 94% invested at the end of October. 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.

Global Value Fund Limited

ASX Code	GVF
Listed	July 2014
Shares on issue	73M
Share price	\$1.03
Market cap	\$75.0M
Options outstanding	51M
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 regular fully-franked dividends so long as 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

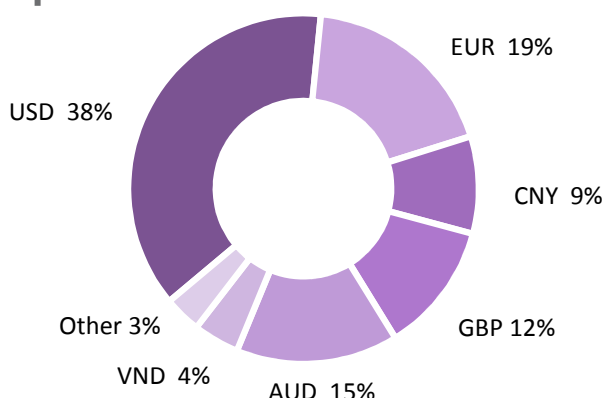
Miles Staude, CFA
Fund Manager, Global Value Fund
Metage Capital
Investment Team

Board of Directors

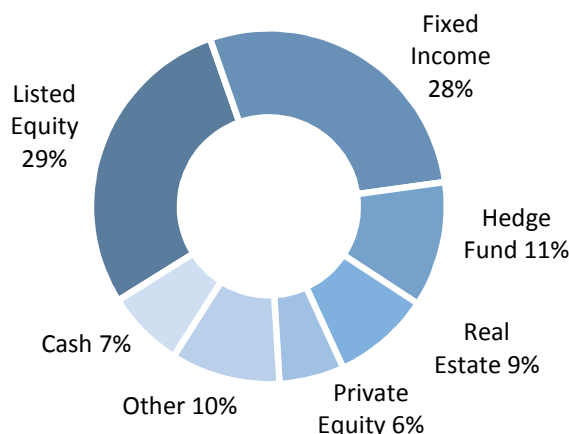
Jonathan Trollip
Chairman
Chris Cuffe
Non-executive Director
Geoff Wilson
Non-executive Director
Miles Staude, CFA
Non-executive Director



Underlying currency exposures



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 the 31st of October.

Including emerging market currencies that are chiefly pegged to the US\$, the fund's US\$ exposure is approximately 52%.

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

While the portfolio currently has a number of investments exposed to the domestic Chinese equity market, the manager has entered into contracts that hedge (or neutralise) most of the underlying equity market exposure associated with these investments. This greatly reduces the risk that a correction in the Chinese share market would have an adverse impact on the GVF portfolio.

The manager estimates that the portfolio's underlying net exposure to the Chinese equity market was 2.6% as at the 31st of October.

Top Five Holdings

Holding	% NTA	Summary
HSBC China Dragon Fund	9.2%	Hong Kong listed closed-end fund (CEF) investing in a diversified portfolio of Chinese equities. The position has been accumulated at an average discount to net asset value of wider than 25%. Following shareholder pressure, the fund has recently announced that it will conduct a 20% one-off redemption offer at a 2% discount to NAV, with subsequent further redemptions likely if the discount fails to contract.
Boussard & Gavaudan Holdings	6.7%	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 should serve to reduce the discount.
WA/Claymore Inflation-linked Opp Fund	5.8%	New York listed CEF which holds a portfolio of US Treasury inflation protected notes, arguably one of the lowest risk financial assets in the world. The position has been built at close to a 14% discount to the underlying portfolio value.
Pacific Alliance China Land	5.2%	AIM-listed CEF investing in Chinese property-related assets and loans with significant structural downside protections built into its investment holdings. Currently in realisation.
Vinaland Limited ZDP	4.9%	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 possibility of early repayment at an above market price.