

Investment Update and Net Tangible Assets

Net Tangible Assets (NTA) per share*

NTA before tax ¹	\$1.1487
NTA after tax	\$1.1059

¹ 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 \$1.0877/shr and the diluted NTA after tax would be \$1.0625/shr.

December review

While the purpose of this report is to provide a review of the investment portfolio during December of last year, given how financial markets have started 2016 it would seem remiss not to pass some comment about the performance of the fund month to date. While there have been meaningful falls in global equity markets so far in January, the manager estimates that the value of the Global Value Fund portfolio has increased in value by 1.1%, using closing market prices of 12 January 2016. This compares to falls of 5.1% and 7.0% for US and Australian equity markets, measured in local currency terms, and a 2.3% fall in the MSCI All Country World Index measured in Australian dollar terms.

Returning to December of 2015, global equity markets were generally weaker over the month. In local currency terms share markets in the US, Europe and Japan fell by 1.6%, 5.3% and 3.5% respectively, while the MSCI All Country World Index fell by 2.6% in Australian dollar terms.

Bucking the global trend of falling markets the ASX 200 increased by 2.7% over the month. Similarly, despite large falls in commodity prices during December (including a 14% fall in the price of iron ore) the A\$ increased in value by 1.5% on a trade weighted basis. Driving both equity and currency markets higher was a second straight employment report that showed job creation running significantly above expectations. The Australian economy added 71,400 jobs during the month, well ahead of expectations for 10,000 job losses, and this followed on from November's reported job gain of 58,600, itself well ahead of expectations. If correct these figures would represent the strongest back to back monthly job gains since December 1987 and point to an economy that was coping much better than previously thought with the end of the mining boom.

Despite weak markets and the strength of the A\$, the underlying investment portfolio performed well during the month. Of particular note, one of the larger holdings in the fund, an investment in the London listed BlueCrest AllBlue Fund, announced that it would cease operations and return shareholder capital. In the months leading up to this announcement GVF had built a sizeable position in this fund at an average discount of 5.8% to the fund's underlying NAV.

The investment portfolio decreased in value by 0.3% during December. The fund's discount capture strategy added 0.7% to returns during the month, while adverse currency movements detracted 0.5%. The remainder of the fund's negative returns were attributable to adverse market movements and operating costs.

Global Value Fund Limited

ASX Code	GVF
Listed	July 2014
Shares on issue	73M
Share price	\$1.02
Market cap	\$74.4M
Options outstanding	51M
Option exercise price	\$1.00
Options expire	March 2016
Dividend (fully franked)	3.0 cents
Dividend ex-date	7 April 2016
FY2016 expected yield	5.9%

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

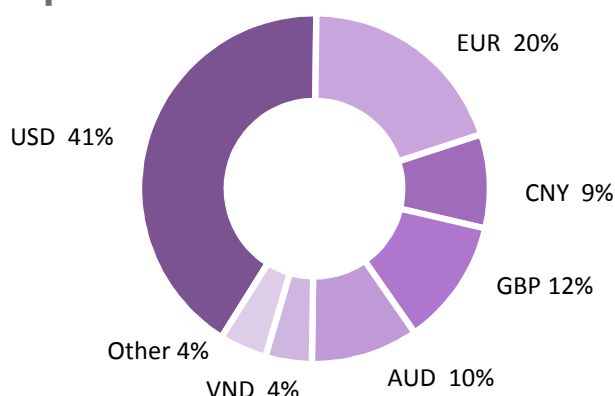
Miles Staude, CFA
Fund Manager, Global Value Fund
Metage Capital
Investment Team

Board of Directors

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



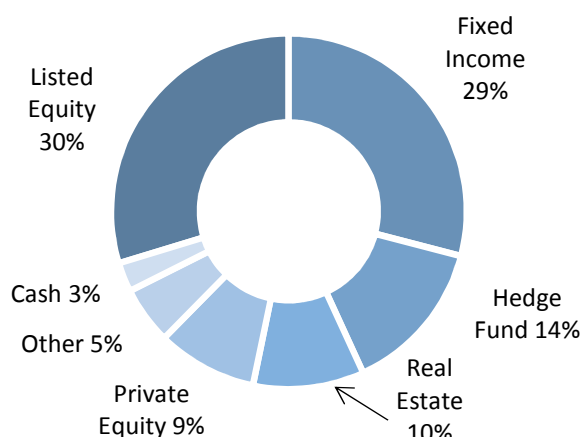
Underlying currency exposures



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 December.

Including emerging market currencies that are chiefly pegged to the US\$, the fund's US\$ exposure is approximately 56%.

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 31st of December.

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 4.0% as at the 31st of December.

Top Five Holdings

Holding	% NTA	Summary
HSBC China Dragon Fund	8.3%	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	7.1%	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.
Blucrest AllBlue Fund	7.0%	London listed CEF that invests substantially all of its assets into the flagship multi-strategy hedge fund run by BlueCrest Capital Management. The fund recently announced it would be returning capital to investors, with the majority of proceeds expected to be returned during January 2016.
Morgan Stanley Emerging Market Debt Fund	5.9%	New York listed CEF which invests in US\$-denominated emerging market sovereign and investment grade bonds. The position has been accumulated at a 17% discount to the underlying portfolio value.
North American Income Trust	5.8%	London listed CEF that invests predominately in S&P 500 constituents with a bias towards higher dividend paying stocks. The position has been accumulated at an average discount to NAV of 10% and the fund is currently engaged in an ongoing share buyback program which is accretive to net asset value per share.