



Global Small Cap Value

Headlines

- Performance
- Portfolio Composition
- Portfolio Valuation

Fund Facts

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| Strategy | Value Equity |
| Risk | N/A |
| ISIN | LU0264925131 |
| Share Class Currency | EUR |
| Fund Inception | 02-Nov-2006 |
| Fund Manager | Kasper Jacobsen |
| Benchmark | MSCI World Small Cap (net dividends) |
| Morningstar Category | Global Equity Small/Mid Cap |

- sparinvest.eu

Performance

In the first quarter of 2009, Sparinvest Global Small Cap Value declined by 10.11%. The general small cap market, as measured by the MSCI World Small Cap Index fell 6.27%, while the MSCI World and MSCI World Value indices dropped by 7.79% and 11.97%, respectively. Growth stocks posted a return of -3.67%.

The last month of the quarter in particular was difficult for the fund. We benefited from our Japanese exposure and suffered somewhat from a low weighting in the US. However, our European exposure was costly. From a sector perspective, we suffered from very poor performance in the two sectors in which we are heavily invested – Industrials and Consumer Discretionary.

Portfolio Composition

At the end of the quarter, the cash position was 7.7% of assets under management. The fund had 70 holdings, and our ten largest positions accounted for 23.14% of the total. During the quarter, we made six new investments. In the United States, we acquired shares in Weis Markets, a long-established family-run retail chain, Volcom, a clothing brand focussed on youth, skate and snowboard markets, and Fossil, a producer and retailer of fashion watches and other accessories. We also invested in Semperit, an Austrian maker of medical gloves and other rubber products, KAS Bank, a Dutch financial services company, and Baron de Ley, a Spanish winemaker.

In general rebalancing of the portfolio, we made additional investments in some existing holdings, and reduced others.

For further data on the fund, including complete portfolio holdings, performance and breakdowns by industry and geographical sector, please refer to our website and the latest fund factsheet.

Portfolio Valuation

Valuations and indicators of the financial strength of Sparinvest Global Small Cap Value remain extremely encouraging. The average P/B in the fund is just 0.6 times, with an EV/EBITDA (one measure of the price you pay for the earnings power) around 3.5 times. Financial gearing is low - in fact bordering on a net cash position, with net-debt-to-equity around zero. We remain confident in the quality of our holdings – both in terms of their balance sheets and the robustness of their business models. We are convinced that the strength and low pricing of our portfolio will allow us to generate healthy long-term returns.

Kasper Billy Jacobsen
Lead Portfolio Manager
8 April 2009

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