November 2022

Investment Objective: To achieve capital growth through a focused portfolio of investments, particularly in companies whose share prices stand at a discount to estimated underlying net asset value.

HEADLINES

Exor

EXOR was the greatest contributor to returns over the month.

Read more below

Brookfield Asset Management (BAM)

We initiated a new position in Brookfield Asset Management.

Read more below

Sony

We exited a successful investment in Sony.

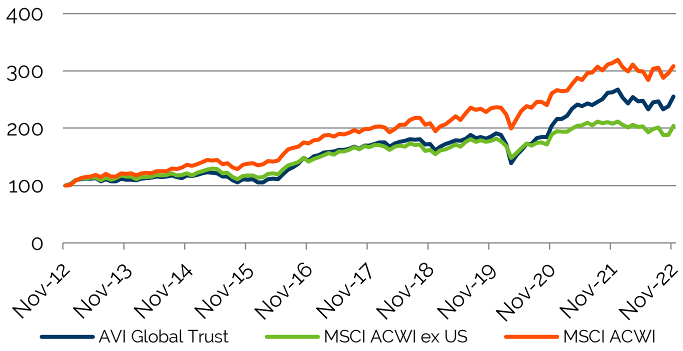
Read more below

PERFORMANCE

(Figures to 30 November 2022)

Share Price (pence)	197.4
NAV (pence)	218.9
Premium / (Discount)	-9.8%

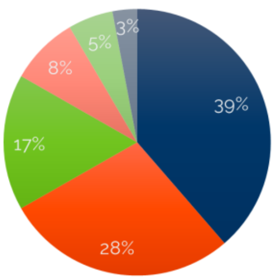
Performance Total Return Last 10 Years



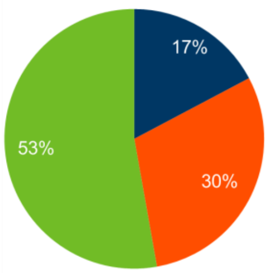
	Month	Fiscal Yr* to date	Calendar Yr to date
AGT NAV[1]	7.0%	9.6%	-4.6%
MSCI ACWI Ex US[3]	8.1%	7.9%	-3.7%
MSCI ACWI[1]	4.2%	7.1%	-3.3%

THE FUND

Look-Through Geographic Exposure (% of net assets)



Portfolio Exposure (% of invested assets)



AVI estimate. Previously, this breakdown was calculated by assigning one region to each portfolio company held by AGT. From the 31-Dec-16 newsletter onwards, this is calculated using the estimated multi-regional exposure for each portfolio company. For listed underlying holdings, the country of listing is used; for unlisted underlying holdings, the exposure is typically assigned according to the country where a majority of sales are made.

Top Ten Equity Holdings

Holding	%
Pershing Square Holdings	7.9
EXOR	7.7
Aker ASA	7.3
Oakley Capital Investments	6.8
KKR	5.7
Brookfield Asset Management	5.4
Christian Dior	5.3
Schibsted ASA 'B'	5.1
Third Point Investors	4.9
FEMSA	4.5
TOTAL	60.6

N.B. Brookfield Asset Management is held via a long total return swap. A hedge is held against the position via a short total return swap on the SPDR S&P 500 ETF Trust. The weights shown reflect the notional exposure calculated from the shares underlying the swaps. Third Point includes combined holdings of Third Point Investors (2.8%) and Third Point Master Fund (2.1%)

MANAGER'S COMMENT

AVI Global Trust (AGT)'s NAV increased by +7.0% in November. Performance was broad-based as markets rallied following better than expected US October inflation data, which was released near the start of the month and has seen investor expectations for the pace and peak of interest rate rises decline. Such a risk-on environment has seen discounts start to narrow, with the portfolio weighted average discount moving from 36.7% to 32.9% over the month.

EXOR was the most meaningful contributor to returns over the month. The shares rose +10%, as a +6% increase in the NAV was boosted by a narrowing of the discount from 44% to 42%. Since early September when the discount hit 50% shares in EXOR have rallied +25%.

Ferrari (32% of NAV), Stellantis (22%) and CNH Industrial (19%) returned +6%, +9% and +17%, respectively. During the month all three companies reported Q3 results that were ahead of consensus expectations, with both Ferrari and CNH raising full year guidance alongside their results.

CNH in particular continues to perform well in its maiden year as a more streamlined agricultural (AG) equipment company, following the spin-off of truck maker Iveco at the start of the year. For the third quarter industrial sales grew +29% and operating profit by +60%. Gross and operating margins expanded by +260bps and +270bps respectively, with very strong price realisations more than off-setting increased product input costs. This is in keeping with performance earlier in the year, and further reiterates the material pricing power of the AG division, which benefits from low levels of dealer inventory, a powerful dealer network and relatively strong farm incomes. With the acquisition of Ag-Tech company Raven last year, CNH are taking steps to narrow the technological gap versus Deere, the #1 player in the oligopolistic industry. In turn there is room for the valuation differential to narrow further, with CNH trading at 10.4x next year's earnings compared with Deere on 15.7x. CNH are transitioning to US reporting standards and there are reports that the company might move to a sole US listing, which should further help in this regard. Combined with the Iveco spin earlier in the year, this is indicative of corporate actions EXOR take to unlock hidden value in its portfolio companies.

Turning to the discount - which has narrowed from the depths but remains wider than average – we remain of the view that re-allocation of the proceeds following the sale of Partner Re for $9.3bn remains a key determining factor. EXOR is still (wrongly) perceived by many as a cyclical holding company overly exposed to Italy. As the portfolio continues to transition to higher quality, less capital intensive and cyclical assets, we expect the discount to narrow further. Combined with the prospects for NAV growth, we remain optimistic about EXOR's prospective returns.

We initiated a new position in Brookfield Asset Management (BAM), the US and Canadian-listed alternative asset manager, which trades at what we believe to be a dislocated valuation ahead of the upcoming spin of a 25% stake in its asset management business. Aside from its asset management business, BAM in its current form includes significant stakes in Brookfield's listed funds focussed on renewables, infrastructure, and private equity; unlisted real estate exposures resulting from the 2021 take-private of its then-listed Brookfield Property Group business; and its insurance business. Post-spin, BAM will retain a 75% stake in the asset management business.

We expect the stand-alone asset manager to trade well given (i) 100% of its earnings will be from fee-related earnings (FRE), the most highly-prized alternative asset management earnings stream; (ii) the 90% dividend pay-out policy and associated high yield; (iii) its advantaged AUM mix weighted towards real assets with attractive exposures to high growth areas such as renewables; and (iv) its estimated five year FRE CAGR of +17%.

Even after the application of a haircut to BAM's reported valuation of its real estate exposures and an assumed trading discount to the existing entity, the implied stub earnings multiple on the asset management business represents a very hefty discount to asset-light alternative asset management peers and we see significant upside for the shares from here. Note that given our caution around increasing our market exposure beyond currently fully invested (but essentially ungeared) levels, we took on a matching short position in an S&P 500 index tracker simultaneously to our investment in BAM (both BAM and the S&P short are held via total return swaps).

The spin-off becomes effective in mid-December, and we are sure will be watched closely by management at KKR (another AGT holding) given the read-across for its own valuation and strategic options as a currently "balance-sheet heavy" peer.

During the month we fully exited our position in Sony, which we had held since June 2019. Over the life of the investment we generated a Sterling IRR of +16% and an ROI of +48%. This compares with a +4% IRR for the MSCI AC World Ex-Us index and +7% IRR for the MSCI AC World index over the same period (£). Our overall thesis was that the market misunderstood the high-quality nature of Sony's assets due to the structure in which they sat, and that Sony PlayStation was undergoing a step-change in business quality as it became less cyclically tied to the hardware cycle, with a higher proportion of recurring revenues. This proved correct and, reflective of that fact, we sold at an average adjusted forward EV/EBIT multiple of 10.5x versus an entry multiple of 7.3x. In hindsight we should have been more attuned to earnings risks in 2022 and sold earlier, but notwithstanding this we still generated attractive returns well in excess of broader markets.

In terms of other activity we have continued to add to Schibsted and a Japanese company where we believe we can add value as engaged owners. We have continued to be nimble in trading our PE/VC basket.

STATISTICS

Contributors / Detractors (in GBP)

Largest Contributors	1-month contribution bps	% of NAV
EXOR	83	7.7
Apollo Global Mgmt.	83	4.3
Christian Dior	79	5.3
Schibsted ASA	71	5.1
Oakley Capital Investments	55	6.7

Largest Detractors	1-month contribution bps	% of NAV
Third Point Investors	-37	4.9
DTS Corp	-10	2.2
Nihon Kohden	-6	2.0
Hipgnosis Songs	-6	0.8
Cannae Holdings	-4	1.0

	% 1 mo	% 1 yr	% 3 yr	% 5 yr	% 10 yr
Share Price TR[2]	7.4	-4.2	35.0	49.6	163.4
Net Asset Value TR[1]	7.0	-2.8	37.6	50.2	155.2
MSCI ACWI ex US TR[3]	8.1	-2.1	14.4	22.3	103.7
MSCI ACWI TR[1]	4.2	-1.8	31.7	55.1	208.7
Fiscal Yr Net Returns (%)	**FYTD**	**2022**	**2021**	**2020**	**2019**
Price[1]	10.3	-10.8	40.3	2.0	-0.4
Net Asset Value[1]	9.6	-7.3	36.2	0.0	2.1
MSCI ACWI ex US[3]	7.9	-9.6	18.8	-1.8	4.5
MSCI ACWI[1]	7.1	-4.2	22.2	5.3	7.3

Capital Structure	
Ordinary Shares	534,086,493
Shares held in Treasury	45,600,956
4.184% Series A Sterling Unsecured Note 2036	£30,000,000
3.249% Series B Euro Unsecured Note 2036	€ 30,000,000
2.930% Unsecured Note 2037	€ 20,000,000
1.38% Senior Unsecured Note 2032	¥8,000,000,000
Gross Assets/Gearing	
Gross Assets	£1.2bn
Debt at fair value (gross)	£109m
Gearing (net)[4]	0.1%

1 Source: Morningstar. All NAV figures are cum-fair values.
2 Source: Morningstar. Share price total return is on a mid-to-mid basis, with net income re-invested.
3 From 1st October 2013 the lead benchmark was changed to the MSCI ACWI ex US (£) Index. The investment management fee was changed to 0.7% of net assets and the performance related fee eliminated.
4 Fair value of net debt divided by net assets at fair value.

"All return figures in GBP. AVI Global Trust financial year commences on the 1st October. All figures published before the fiscal results announcement are AVI estimates and subject to change."

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The share price can be found in The Times.

Information may be found on the following websites:
www.aviglobal.co.uk
www.assetvalueinvestors.com