Vermeer Global Fund

January 2022

VERMEER INVESTMENT MANAGEMENT

Investment Objective

The aim of the fund is to generate long term capital growth. The fund invests in a diversified portfolio of global equities that have an attractive growth potential. The portfolio will hold between 30 and 60 stocks.

Rolling Performance – Class A GBP

	1m	3m	6m	YTD
Class A	-7.19%	-5.62%	-2.11%	-7.19%

	1 Year	3 Year	5 Year	ITD
Class A	9.09%	53.79%	82.75%	89.66%

Portfolio Manager	Tim Gregory
Inception Date	5th December 2016
Base Currency	GBP
Dealing	Daily
Initial Charge	None
AUM	£53.0m
Estimated Yield	1.4%
No. of Holdings	59 holdings
Active Share	81.2%

Available Platforms:

7IM, AllFunds, Ascentric, Aviva for Adviros, Embark, FNZ, Hargreaves Lansdown, Novia, Pershing, Platform Securities, Raymond James, RBC, Rensburg, Succession, Transact

Share Class	AMC	OCF*	Min	Price
Class A	0.45%	0.70%	£3million	189.662402
Class A3	0.25%	0.50%	£20million	141.256619
Class B	0.75%	1.00%	£5,000	170.967492
Class B1	0.75%	1.00%	$7,500	159.250117
Class C	0.75%	1.00%	£5,000	177.506186

**Ongoing Charge Fee*
Full explanation of the Fund's charges can be found on the KIID and the Costs & Charges sheet

Top 10 Stock Holdings

Stock	Weight
BP	4.85%
Microsoft	4.22%
Apple	3.82%
Toyota Motor	2.98%
Roche	2.89%
Keyence	2.70%
Novo-Nordisk	2.64%
United Parcel Service	2.55%
Amazon	2.37%
Oracle	2.14%
Cash	9.16%

Geographical Split

United States	39.41%
Europe	21.49%
United Kingdom	14.02%
Japan	11.89%
India	2.52%
Singapore	1.51%
Cash	9.16%

Sectors

Communication Services	3.33%
Consumer Discretionary	16.30%
Consumer Staples	5.50%
Energy	5.73%
Financials	5.62%
Healthcare	11.40%
Industrials	17.34%
Materials	4.78%
Technology	20.84%
Utilities	0.00%
Cash	9.16%

Monthly Performance Data – Class A GBP

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year
2017	1.83%	3.16%	0.96%	-1.35%	5.19%	-1.18%	3.36%	3.97%	-2.29%	2.66%	0.39%	1.12%	18.99%
2018	1.29%	1.17%	-3.96%	2.87%	4.95%	-0.07%	1.07%	3.13%	0.03%	-7.61%	1.36%	-4.90%	-2.03%
2019	3.79%	2.40%	3.61%	2.88%	-1.43%	5.33%	5.12%	-1.75%	1.15%	-2.29%	3.84%	0.98%	25.90%
2020	-2.51%	-5.19%	-5.70%	7.56%	8.11%	2.63%	0.48%	3.82%	2.05%	-2.68%	6.76%	2.22%	17.60%
2021	-1.16%	-1.84%	2.60%	4.45%	0.01%	3.74%	2.10%	3.27%	-2.37%	2.87%	0.58%	1.11%	16.17%
2022	-7.19%												-7.19%

Commentary – January 2022

January was a very difficult month for global equities. It was a particularly tough period for growth equities, which suffered a material sell off after dominating market performance for many years. The Nasdaq fell by 9%, recovering from a fall of as much as 15% by late January, dragging the S&P 500 lower by 5.2% for the month and overall markets by 4.5% in Sterling terms. The Vermeer Global Fund declined by just over 7% for the month, impeded by the performance of our Japanese equities and a significant sell off in high quality franchises, which having performed very well, saw a sharp de-rating of their equity value.

At the January FOMC meeting, the Federal Reserve was forced to acknowledge that inflation has been far more persistent than it anticipated, and it will begin the process of normalising policy as soon as March, when it completes its bond purchase programme and starts raising interest rates. Following the FOMC meeting, a number of economic commentators have increased their expectations for the speed and scale of rate hikes over the coming two years. We have seen forecasts for as many as ten increases over that period. For this to be the case, inflation will need to persist at a rate probably above 4%, with supply chain issues continuing to persist and wage inflation maintained at elevated levels. Whilst we cannot rule this out, we do worry that such an aggressive stance by the Federal Reserve would lead to a dramatic slowdown in the economy especially as such persistently high inflation is likely to further damage consumer sentiment, which is pivotal to the overall health of the US economy.

Over January, the top five contributors to return were BP, Toyota Motor, Ericsson, Deutsche Bank and DBS Group. The top five detractors to return were Keyence, ASML, Sika, Treatt and Novo Nordisk.

There were very little changes to the Fund over the month however we did initiate a new position in Unilever right at the end of January. The stock has underperformed for a significant period of time and the market reacted very poorly to the news that it had seen several bids rejected for a potential acquisition of the Glaxo Consumer Health division. Following this news, it was reported that activist investor Nelson Peltz of Trian Fund Management had taken a stake in the company. Peltz has a very strong track record investing in the consumer staples space, driving successful turnarounds at both Pepsi and P&G in the past and we believe that the move will lead to a significant improvement in business performance as management needs to execute or Peltz will likely seek to sell off underperforming assets to either reinvest in high growth markets or buy back shares.

We are maintaining our balanced strategy and a healthy cash position as we see a challenging environment ahead, but one in which companies can continue to reward investors if they are able to deliver strong underlying business performance. We have already seen in the early part of the results season that quality growth can perform if it shows strong earnings momentum, especially now that the froth has been blown off a lot of growth oriented share prices.

Disclaimer: Further information about Vermeer UCITS ICAV including the current Prospectus and Key Investment Information Documents ("KIIDs") can be found at www.vermeer.london. Past performance may not be a reliable guide to future performance. Investments can go down as well as up and therefore the return on investment will necessarily be variable. Income may fluctuate in accordance with market conditions and taxation arrangements. Changes in exchange rates may have an adverse effect on the value, price or income of the product. Vermeer Investment Management Limited is authorised and regulated by the Financial Conduct Authority (Financial Register Number 710280) and is incorporated in the United Kingdom (Company Number 09081916). Registered Office Address: 130 Jermyn Street, London, SW1Y 4UR. Vermeer UCITS ICAV ("the Fund") is registered with the Central Bank of Ireland as an open-ended umbrella-type Irish collective asset management vehicle with variable capital (Register Number C154687). Opinions expressed whether specifically or in general or both on the performance of individual securities and in a wider economic context represent our view at the time of preparation. They are subject to change and should not be interpreted as investment advice. This document is intended for use by shareholders of the Fund, persons who are authorised to carry out investment business, professional investors and those who are permitted to receive such information. Nothing in this document should be construed as giving investment advice or any offer, invitation or recommendation to subscribe to the Fund. Any decision to subscribe should be based on the Fund's current Prospectus and KIIDs.