Vermeer Global Fund

March 2022

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	3.96%	-5.79%	-1.44%	-5.79%

	1 Year	3 Year	5 Year	ITD
Class A	9.96%	47.13%	78.12%	92.52%

Portfolio Manager	Tim Gregory
Inception Date	5th December 2016
Base Currency	GBP
Dealing	Daily
Initial Charge	None
AUM	£55.9m
Estimated Yield	1.5%
No. of Holdings	60 holdings
Active Share	80.8%

Available Platforms:

7IM, AllFunds, Ascentric, Aviva for Advisors, 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	192.523985
Class A3	0.25%	0.50%	£20million	143.434231
Class B	0.75%	1.00%	£5,000	173.462869
Class B1	0.75%	1.00%	$7,500	157.861635
Class C	0.75%	1.00%	£5,000	180.096999

*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	4.71%
Apple	4.26%
Microsoft	4.07%
Oracle	3.22%
Roche	2.90%
Novo-Nordisk	2.89%
Amazon	2.82%
Keyence	2.76%
Toyota Motor	2.72%
United Parcel Service	2.64%
Cash	7.51%

Geographical Split

United States	44.20%
Europe	19.75%
United Kingdom	13.15%
Japan	11.22%
India	2.40%
Singapore	1.77%
Cash	7.51%

Sectors

Communication Services	5.64%
Consumer Discretionary	16.08%
Consumer Staples	5.10%
Energy	6.26%
Financials	3.67%
Healthcare	11.53%
Industrials	17.74%
Materials	4.99%
Technology	21.48%
Utilities	0.00%
Cash	7.51%

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%	-2.36%	3.96%										-5.79%

March ended an astonishing quarter for global equities. After falling by over 5% in January, around 3% in February and at one point equities were another 6% lower in March, global markets recovered to end the first quarter down only 5.2% overall in US Dollar terms. The Vermeer Global Fund rose 4% for March, below global markets with performance hindered by the weakness of the Japanese Yen.

The tragic war situation in Ukraine and a return to high levels of inflation have provided a very challenging backdrop for world markets. Persistently high inflation has now forced the Federal Reserve to acknowledge that they have fallen way behind the curve on interest rates and now need to accelerate the pace of rate rises at a time of considerable uncertainty, contributing to the difficult environment for global markets, which under the circumstances have actually proved very resilient.

Over March the top five contributors to return were Novo Nordisk, Caterpillar, Newmont, Apple and Oracle. The top five detractors to return were Oxford Instruments, Deutsche Bank, Ocado, Burlington Stores and Pinnacle Financial.

Along with adding to several of our existing holdings over the month, such as Nike and Oracle following their results, we initiated positions in three new stocks in March. As we highlighted last month, we added two positions in the telco space in T-Mobile US and Orange in early March. Orange is the leading operator in the French market with assets in Spain and Africa. The company is at a cash flow inflection point where spending on its fibre deployment has peaked and has started to roll over whilst its competitors are continuing to spend aggressively to catch up. Orange has a towers business which offers both value and optionality for the company as we have noted numerous operators have recently monetised their tower assets. T-Mobile US is well positioned in the 5G space in the US following the acquisition of Sprint several years ago. The transition of Sprint customers onto T-Mobile's services is helping to drive high levels of synergies and the business is also attacking the growth market of fixed wireless internet. The business should see a significant improvement in cash flows, which is likely to be returned to shareholders in the form of buybacks, compared to the likely increases in dividends at Orange.

We also added a new position in Accenture, a company we have long admired that has fallen by around 20% in the first quarter of 2022. Accenture is now trading at valuation levels we see as acceptable for a business of their quality with the leading position in digital consulting which we see as a structural growth market. Although this space has clearly seen a boom over the last few years driven by the COVID pandemic, we still believe there is a sustainable growth path as the shift to the cloud for many companies is still at an early stage, and the increased use of artificial intelligence and the opportunity in the metaverse is still in its absolute infancy

Although we have retained a fairly high level of cash through the quarter, we have also been working on several new ideas as despite the considerable concerns facing markets, stocks may continue to climb the wall of worry in the near term. We will be proceeding with some caution ahead of the upcoming results season, which we do anticipate may be challenging for many companies for a multitude of reasons, especially those facing continued supply chain issues and those suffering with the significant consequences of very high inflation levels.