

Vermeer Global Fund

Q3 2017



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

1 Month	3 Months	6 Months	1 Year	YTD	ITD
-2.29%	5.00%	7.67%	-	14.18%	16.38%

*ITD Date 5th December 2016

Top 10 Stock Holdings

Stock	Position
Keyence	3.83%
Microsoft	3.75%
Citigroup	2.48%
Ferrari NV	2.35%
Rational AG	2.32%
Adidas AG	2.12%
Treant	2.12%
Xylem	2.11%
Newmont Mining	2.09%
Rio Tinto	1.91%
Cash	6.41%

Portfolio Manager

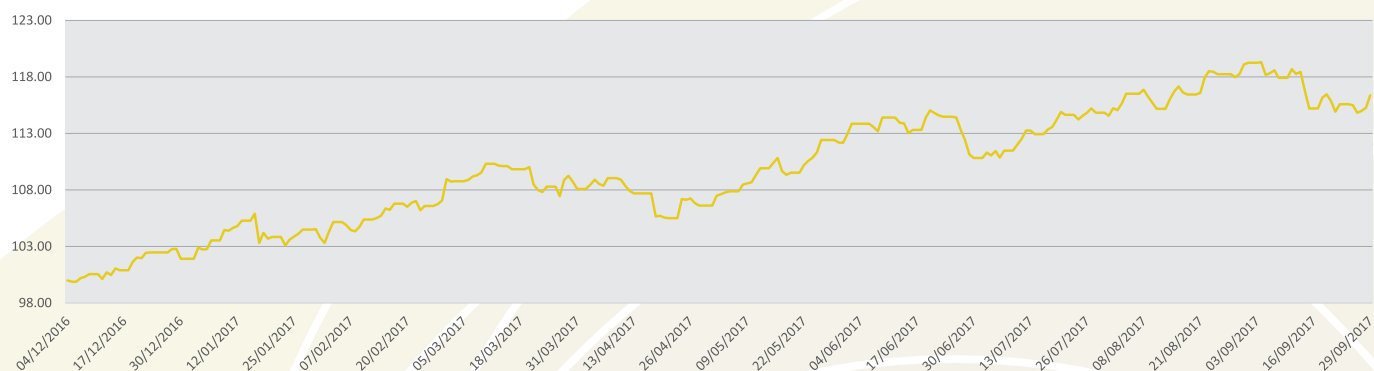
Tim Gregory

Inception Date:	5th December 2016
Base Currency:	Sterling
Dealing:	Daily
Initial Charge:	None
AUM:	c.£4.2 million
Estimated Yield:	1.68%
No. of Holdings:	60
Active Share:	89.35
Current Available	Transact Nominees, Platform Securities,
Platforms:	RBC, Pershing

Share Class	TER*	Min. Invest	Price
Class A	0.70%	£3million	116.376
Class A1	0.70%	\$5million	-
Class B	1.00%	£5,000	106.280
Class B1	1.00%	\$7,500	-
Class C	1.00%	£5,000	116.231

*Total Expense Ratio

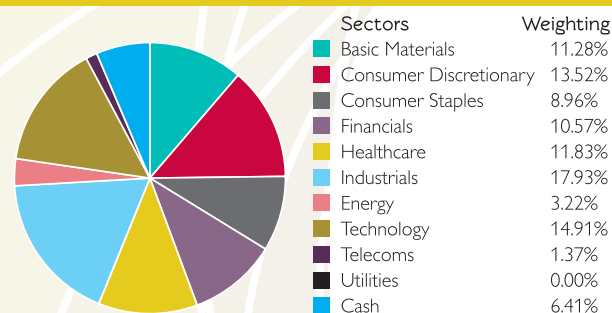
Performance Chart



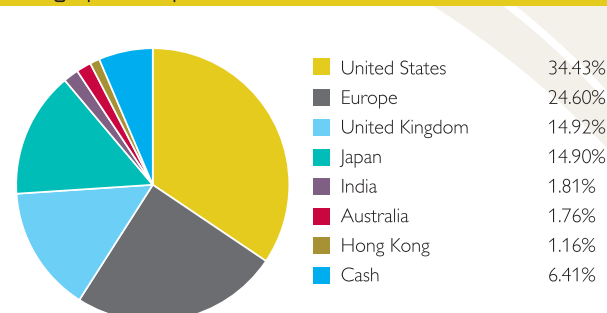
Monthly Performance Data - 2017

January	February	March	April	May	June	July	August	September	October	November	December
1.83%	3.16%	0.96%	-1.35%	5.19%	-1.18%	3.36%	3.97%	-2.29%	-	-	-

Sectors



Geographical Split



Commentary

During the quarter we maintained a balanced portfolio, holding our maximum number of 60 stocks. Overall the portfolio remains underweight US equities offset by our overweight in both Japanese and UK stocks.

Somewhat surprisingly to Vermeer, global equities continued to perform strongly in the third quarter, with the S&P 500 and Nasdaq ending at all-time highs aided by a renewal of hope for the so-called "Trump Trade" as tax reform plans were revealed at the end of September. Although markets have risen it has been increasingly important to be in the right companies as stocks that have disappointed have been severely punished. We expect this trend to continue given many stocks are at expensive valuations and need to keep delivering strong results if they are to continue to justify their current ratings.

Over the quarter the top five contributors to performance were Keyence, Rational, Nihon M&A Center, Ferrari and Adidas. The top five detractors to performance were Okamoto Industries, Medtronic, Standard Chartered, Sony and Nokia.

We made several changes to the portfolio over the quarter starting a new position in BHP Billiton in the UK, increasing our exposure to natural resources and replacing our position in Pioneer Natural Resources. The company has seen a new Chairman installed who is perceived as having a greater focus on shareholder returns. The CEO has also been given limited time by shareholders to focus the portfolio, potentially leading to disposal of the oil & gas interests.

We initiated a position in Maison du Monde, France's leading affordable home décor and furniture business, allowing the fund to gain exposure to the French economy following Macron's election victory. The company has had sales CAGR of 21% over the last 10 years in a flat market and through a deep recession and expect 14% CAGR between 2016 and 2020 with stable margins. The fund also added a position in Facebook. Although the stock has performed well this year, we believe that the company has huge opportunities to monetise WhatsApp and Messenger as Facebook has had remarkable success at being able to successfully increase ad loading on their platforms without negatively impacting the user experience. The company's targeting technology and a dominant market position all remain hugely appealing to advertisers.

We continue to believe that there is an interesting opportunity in the infrastructure sector and have added a position in building materials company Lafarge Holcim, where we expect a recent change in management to be a catalyst for an improvement in returns from the Swiss based company that has struggled with the merger that brought the two companies together in 2015. Lafarge has a broad geographical portfolio and a strong position in the global cement industry with exposure to fast growing countries like India providing an opportunity for further expansion.

We also added a position in Danone, after news that an activist investor had taken a stake in the company. We have been monitoring the company for some time following last year's acquisition of WhiteWave and believe there is an opportunity for the company to substantially improve its performance after a number of years of disappointing results for investors.

So far in 2017 it has been possible to make good returns from a wide range of stocks and sectors and we expect this to continue whilst noting that some themes have worked out very well in the first nine months of this year and are now pausing. We are happy to maintain a modest cash balance to be able to take advantages of new opportunities as they arise and will continue to operate with a strong discipline to eliminate positions that prove disappointing.