Vermeer Global Fund

Q4 2017

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.

Portfolio Manager	Tim Gregory
Inception Date:	5th December 2016
Base Currency:	Sterling
Dealing:	Daily
Initial Charge:	None
AUM:	c.£6.1million
Estimated Yield:	1.68%
No. of Holdings:	58
Active Share:	89.1%
Current Available Platforms:	Transact Nominees, Platform Securities, RBC, Pershing

Rolling Performance – Class A GBP

1 Month	3 Months	6 Months	1 Year	YTD	ITD
1.12%	4.21%	9.42%	18.99%	18.99%	21.28%

ITD Date 5th December 2016

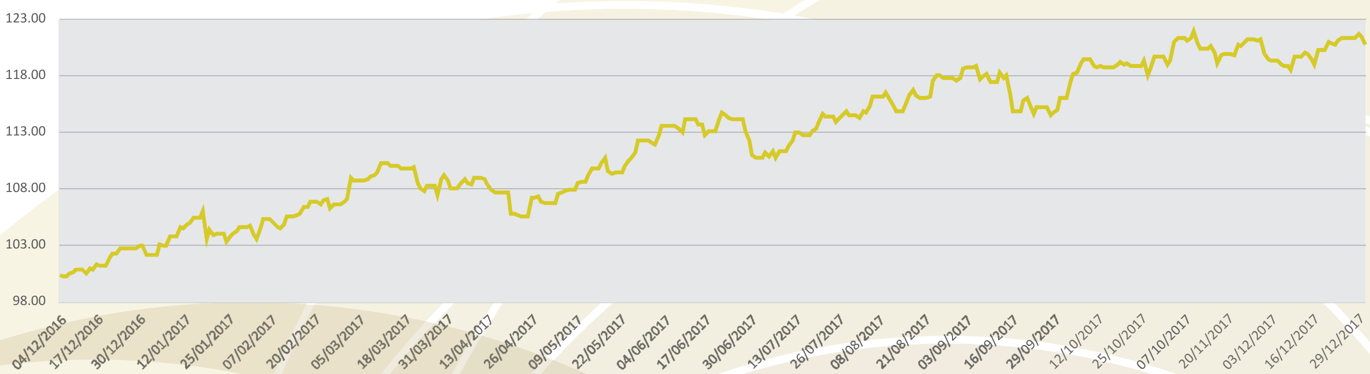
Share Class	AMC*	OCF**	Min.Invest	Price
Class A	0.45%	0.70%	£3million	121.276
Class A1	0.45%	0.70%	$5million	-
Class A2	0.25%	0.50%	£20million	-
Class A3	0.25%	0.50%	£20million	-
Class B	0.75%	1.00%	£5,000	110.672
Class B1	0.75%	1.00%	$7,500	103.654
Class C	0.75%	1.00%	£5,000	120.246

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

Top 10 Stock Holdings

Stock	Position
Microsoft	5.40%
Keyence	3.44%
Citigroup	2.22%
Rio Tinto	2.19%
Kose	2.11%
LafargeHolcim	2.07%
Statoil	2.07%
Cisco Systems	2.02%
T-Mobile US	2.01%
Apple	2.00%
Cash	4.34%

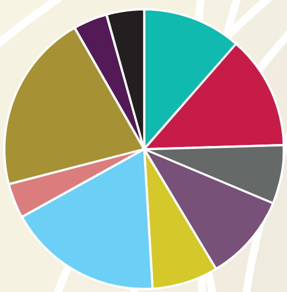
Performance Chart – Class A GBP



Monthly Performance Data - Class A GBP

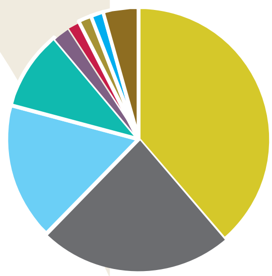
	January	February	March	April	May	June	July	August	September	October	November	December
2017	1.83%	3.16%	0.96%	-1.35%	5.19%	-1.18%	3.36%	3.97%	-2.29%	2.66%	0.39%	1.12%

Sectors



Sectors	Weighting
Basic Materials	11.4%
Consumer Discretionary	13.1%
Consumer Staples	6.8%
Financials	10.1%
Healthcare	7.7%
Industrials	17.9%
Energy	4.0%
Technology	20.8%
Telecoms	3.9%
Utilities	0.0%
Cash	4.3%

Geographical Split



United States	38.7%
Europe	23.6%
Japan	16.8%
United Kingdom	9.8%
Singapore	1.9%
Australia	1.6%
Hong Kong	1.6%
India	1.5%
Cash	4.3%

Commentary

2017 was a strong year for global equities helped by a continuation of the low interest rate and low inflation environment that has persisted for several years. Global growth accelerated as a notable improvement from the previously struggling European economy and stable performance from both China and the US were the main influences on overall global growth.

The final quarter of 2017 was helped by a rejuvenation of the so called "Trump-Trade", as the US passed their tax reform bill, leading to increased optimism that US economic growth will accelerate and that the tax break will boost US earnings.

Over the quarter the top five contributors to performance were Kose, Microsoft, Toridoll, Fanuc and Tencent. The top five detractors to performance were Nokia, Celgene, Adidas, Rational AG and Manchester United.

We made several changes to the portfolio in the final quarter of 2017 adding three new positions in Japan with the addition of Toyota Motor, en-Japan and Qol. Toyota has been investing heavily in solid-state battery technology and continues working on research into autonomous vehicles. The company should have continued sales growth in Europe thanks to its hybrid offerings and shares are currently trading at attractive valuation levels with a solid dividend yield of 3%. en-Japan is the leading internet based job information service specialist in Japan. The changes in the Japanese labour market has lead to a large uptick in recruitment process outsourcing and this is leading a large uptick in orders for the company which we believe will continue as macro drivers positively affect their operating environment. Qol operates a chain of dispensing pharmacies in an extremely fragmented market, and consolidation in the space leading to increased market share for the company and constant changes to the Health Insurance system in Japan, specifically regarding dispensing fees, can have a significant impact on revenues moving forward.

Over the quarter we made the decision to reduce our exposure to UK equities by taking profits in Phoenix Group, Rentokil Initial and Breedon Group. Whilst we still fundamentally like these companies we believe that the problems facing the UK economy and with Brexit negotiations continuing to prove difficult we felt it prudent to reduce our weightings in more domestically focussed UK stocks.

We increased our weighting in financials in the final quarter adding a position in DBS Group, the Singaporean bank. DBS has strong capital ratios and offers a good dividend yield which we expect to grow whilst we also see the company as a good play on continued growth in Asia.

Stock performance in the healthcare sector was mixed over the year with the pharmaceutical and biotechnology sectors continuing to be difficult sub sectors to invest in. Over the quarter we sold our positions in both Roche and Celgene, with the latter announcing the discontinuation of a key drug trial and posting poor third quarter results. However, we continue to invest in other areas of healthcare with companies such as Medtronic, the world leader in minimal invasive surgery and Fresenius Medical Care, the dialysis company.

In Europe we added Varta AG to the portfolio following its IPO towards the latter end of the year. The company is the world leading manufacturer in microbatteries for hearing aids and lithium ion versions for wearables. Varta's exposure to the healthcare market and the opportunity in their "hearables" and Power & Energy divisions provide excellent avenues for growth moving forward.

Whilst we expect global markets to be more challenging in 2018 we are currently running with low cash levels reflecting our confidence in the portfolio and we continue to believe there are many opportunities in the market to find exciting investment prospects which will help drive performance in 2018.