Vermeer Global Fund

March 2023

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	1.61%	7.15%	9.95%	7.15%

	1 Year	3 Year	5 Year	ITD
Class A	-0.98%	46.21%	59.71%	90.64%

Portfolio Manager	Tim Gregory
Inception Date	5th December 2016
Base Currency	GBP
Dealing	Daily
Initial Charge	None
AUM	£57.4m
Estimated Yield	1.7%
No. of Holdings	57 holdings
Active Share	81.4%

Available Platforms:

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

Share Class	AMC	OCF*	Min	Price
Class A	0.45%	0.70%	£3million	190.635475
Class A3	0.25%	0.50%	£20million	140.333181
Class B	0.75%	1.00%	£5,000	171.246796
Class B1	0.75%	1.00%	$7,500	146.343297
Class C	0.75%	1.00%	£5,000	175.390654

**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	4.67%
Novo-Nordisk	4.24%
Microsoft	3.93%
Oracle	3.74%
Apple	3.28%
Keyence	2.95%
United Parcel Service	2.47%
Roche	2.44%
Toyota Motor	2.18%
Davide Campari-Milano	2.16%
Cash	8.98%

Geographical Split

United States	45.70%
Europe	20.55%
Japan	10.51%
United Kingdom	10.50%
Singapore	2.03%
India	1.73%
Cash	8.98%

Sectors

Communication Services	6.57%
Consumer Discretionary	13.43%
Consumer Staples	5.21%
Energy	6.63%
Financials	2.78%
Healthcare	13.43%
Industrials	17.39%
Materials	3.14%
Technology	22.44%
Utilities	0.00%
Cash	8.98%

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%	-4.42%	-2.73%	-5.03%	7.65%	-0.06%	-5.20%	2.86%	3.00%	-3.15%	-12.94%
2023	5.22%	0.22%	1.61%										7.15%

Commentary – March 2023

Global equities put in a strong finish to the first quarter of 2023, rising by 5.5% in Sterling terms, with the Vermeer Global Fund finishing the quarter 7.2% higher. In March the Vermeer Global Fund returned 1.6%, above the 1.2% return from the global equity market.

Over March the top five contributors to return were Microsoft, Novo Nordisk, Apple, Keyence and Nvidia. The top five detractors to return were BP, Befesa, Cameco, Jack Henry and Caterpillar.

March was another very volatile month for equity markets and the Fund did not make any changes to the portfolio during the period. This market volatility was created by a major crisis in the global banking industry as Credit Suisse had to be rescued by UBS following a loss of confidence in its franchise that was triggered by the collapse of two US regional banks, Silicon Valley Bank and Signature Bank.

Our portfolio remains very underweight banks, with just two positions both based in Asia. We are monitoring our positioning in the sector very carefully as an opportunity to invest in the space may present itself. However, we are concerned that there will be even greater regulatory oversight for the banking industry and that banks may be required to hold more capital, restricting their ability to grow dividends and to buy back shares.

Despite the initial fears of a financial crisis that the problems at Credit Suisse and the US regional banks triggered in markets, stocks have subsequently been able to rally. This has been helped by a substantial fall in bond yields that has particularly aided the performance of growth stocks, especially the eight mega-cap US companies that make up a very large percentage of the benchmark index. These eight stocks, which include Amazon, Apple, Microsoft and Nvidia, have all enjoyed a very positive start to the year.

Out of these eight companies, the Fund owns five names which make up around 12% of the portfolio. AI champion Nvidia has more than doubled off its October lows after enduring a horror 2022 and we plan to hold this investment for the long term despite its very volatile performance. These stocks have totally dominated performance of the global benchmark in the first quarter and are largely responsible for the positive performance from US equities so far this year.

Our current cash position is around 9% and we continue to look for selective opportunities to invest in quality companies at attractive valuations whilst remaining cautious that progress by the overall market may be limited at current levels.