



Investment Review

The Hereford/DSM Large Cap Fund NAV depreciated (1.6)% for the month of November compared to flat performance for the Russell 1000 Growth Index and a (0.2)% depreciation for the S&P 500. At the end of November, the Fund was invested primarily in the business services, consumer discretionary, health care and technology sectors, with smaller weights in the materials and financials sectors.

During the month the Fund trailed its benchmark, on a gross-of-expense basis, by approximately 160 bps. This was primarily the result of the underperformance of our stock selections in the technology, industrials and energy sectors. Our stock selections in the consumer discretionary and health care sectors benefited performance. In November, the best performing positions in the portfolio were Philip Morris International, Shire, F5 Networks, Visa and YUM! Brands. The worst performers for the month were Rovi, Apple, Tencent Holdings, Cognizant Technology and NetApp. During the month, we trimmed the Fund's position in Discovery Communications given our concerns about next year's advertising trends. The proceeds of these sales were used to re-initiate a position in Monsanto, a provider of agricultural products for farmers and the leading producer of genetically modified seeds and traits. Monsanto is expanding internationally, primarily to Latin America, and adds to the portfolio's dividend yield.

Recently, surprising many prognosticators who expected a double-dip, US economic growth statistics have been stronger than expected. Unfortunately, Europe looks very likely to be in recession next year. China and other emerging markets continue to grow nicely, driven in the case of China, by expanding internal consumption. The sum total of Western and emerging countries probably generates 3%+ global GDP growth next year. But, of course, given the issues in the world today, this forecast is more likely subject to change than those in the past.

Third quarter earnings results have been quite solid throughout the corporate world. Slow global growth and economic uncertainty have caused companies to keep costs under control, such that any revenue growth is incrementally very profitable. Emerging markets remain a growth driver for many companies and, while uncertainty in the Western world may delay capital investment decisions, capital expenditures in the emerging markets remain strong, albeit a bit slower than prior levels. Simply put, corporate balance sheets, profit margins and cash flows are in great shape. In the US, it is likely that year-over-year S&P 500 revenue and earnings growth will comfortably reach "double-digits", easily exceeding expectations.

Uncertainty resulting from these global macro issues has increased the correlation between stocks, across both sectors and geographies, to record high levels. In short, top down macro-economic fears are overwhelming bottom-up stock specific factors. That said, the S&P 500 may be on pace to reach record levels of earnings this year of approximately \$100. That would put the S&P 500 at just 12.5x trailing earnings. Similarly, according to Bloomberg, other major markets like China, Germany, the United Kingdom, and France also sell at price/earnings levels of between 10x and 14x. If the world manages to "muddle through," these markets are all at very attractive valuation levels. Our on-going position is that the world will muddle through and the markets will, in time, move upward.

Key Information

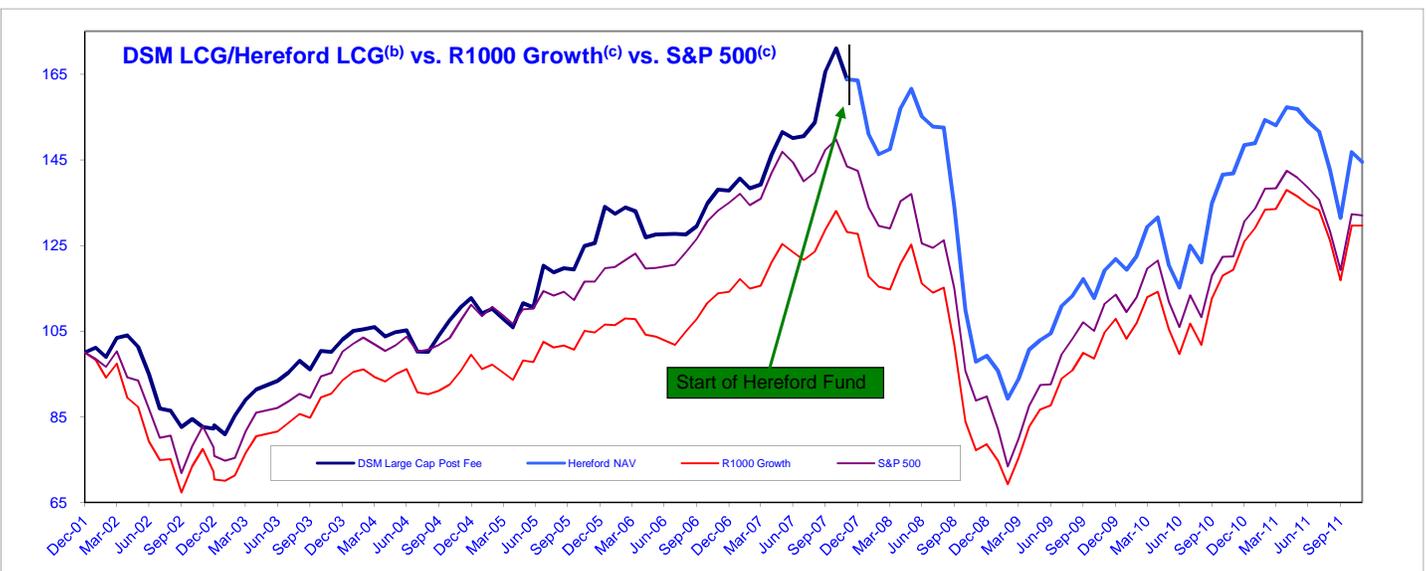
NAV A Shares (30/11/11)	US\$ 88.18
Total Fund Size	US\$ 111.7 mil
Strategy Assets	US\$ 2,621.2 mil(a)
Fund Launch Date	29-Nov-07

Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Hereford Funds NAV	0.3	3.7	(0.8)	2.8	(0.3)	(1.8)	(1.5)	(5.9)	(7.8)	11.7	(1.6)		(2.7)
Russell 1000 ^(c)	2.5	3.3	0.1	3.4	(1.1)	(1.4)	(1.0)	(5.3)	(7.4)	11.0	(0.0)		3.0
S&P 500 ^(c)	2.4	3.4	0.0	3.0	(1.1)	(1.7)	(2.0)	(5.4)	(7.0)	10.9	(0.2)		1.1

Period Performance (%)

	YTD	2010	2009	2008	2007	2006	2005	2004	2003	2002	Since Inception 01/01/02 Cumulative	Annualised
DSM LCG/Hereford LCG Returns ^(b)	(2.7)	21.9	22.8	(39.3)	18.7	9.8	11.4	9.4	25.2	(17.7)	44.5	3.8
Russell 1000 ^(c)	3.0	16.7	37.2	(38.4)	11.8	9.1	5.3	6.3	29.7	(27.9)	29.7	2.7
S&P 500 ^(c)	1.1	15.1	26.5	(37.0)	5.5	15.8	4.9	10.9	28.7	(22.1)	32.0	2.8



**Top Ten Holdings**

3M Company
Allergan
Apple Computer
Celgene
Cognizant Technology Solutions
Dollar General
Philip Morris International
Schlumberger
Shire PLC
Visa

Sectoral Breakdown

Services	20.8%
Consumer Discretionary	19.5%
Health Care	16.7%
Information Technology	14.3%
Energy	8.3%
Industrials	7.7%
Consumer Staples	6.0%
Materials	4.6%
Financials	1.8%

% of Assets**Investment Objective**

The investment objective of the LCG sub fund is to provide capital appreciation principally through investments in US-based growing corporations with market capitalizations generally above US\$ 2 billion. These companies are chosen for their growth prospects, attractive returns, solid business fundamentals and intelligent management. The sub fund may, on an ancillary basis, invest in US-based companies with lower market capitalizations as well as in non-US based companies. The Compartment may invest in American Depository Receipts and American Depository Shares. The reference benchmark for this strategy is the Russell 1000 Growth Index.

Fund Codes (Share Class A)		Since Inception Risk Profile	Hereford DSM US LCG	DSM LCG Composite	R1000 Growth
Bloomberg	DSMUSLA LX	Volatility	n/a	15.4	16.3
ISIN	LU0327604228	Sharpe Ratio	n/a	0.1	0.0
Reuters	LP65102015	Information Ratio	n/a	0.2	
Sedol	B28TLX2	Tracking Error	n/a	7.3	
	3504726	Beta	n/a	0.8	
WKN	A0M58T	Alpha	n/a	1.2	

Fund Details

Dealing Day	Daily
Dividends	None - income accumulated within the fund
Investment Manager	DSM Capital Partners LLC, 116 Radio Circle Drive, Suite 200, Mount Kisco, NY 10549, USA
Promoter	VP Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Management Company	VPB Finance S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Custodian	VP Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Legal Advisers	Elvinger, Hoss & Prussen, 2 Place Winston Churchill, L-1340 Luxembourg
Auditor	Deloitte, 560 Rue de Neudorf, L-2220 Luxembourg

Annual Management Charge

Share Class A & U ^(e)	1.25%
Share Class D ^(f)	1.75%

Minimum Investment

Share Class A & U ^(e)	\$100,000 initial / \$10,000 subsequent
Share Class D	\$10,000 initial / \$1,000 subsequent

Order Transmission Information**Original Applications To:**

VPB Finance S.A.
attn. Fund Operations / TA-HFF
P.O. Box 923
L-2019 Luxembourg
or, for transmissions via courier service,
26, avenue de la Liberté, L-1930 Luxembourg

Subsequent Applications Only Via Facsimile:

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- (a) This refers to the total assets invested in the reference strategy managed by the Investment Manager.
(b) Data and graph depict DSM Composite through November 2007 and Hereford Funds DSM US Large Cap Growth Fund Class A thereafter. Historical gross performance of DSM Large Cap Composite returns (the Reference Strategy) is net of modeled fee and expense typical of Hereford Funds DSM US Large Cap Growth Fund Class A (1.25% fee + 0.25% expense). Fund follows same strategy. Performance presentation incomplete without accompanying footnotes as shown at www.dsmcapital.com.
(c) Total return including dividends.
(d) The fund is registered with the AFM for public distribution in the Netherlands, authorised for public distribution in Switzerland by Finma, and registered with the AMF for public distribution in France.
(e) Share Class U has been granted Reporting Status by HMRC as of October 1st, 2010
(f) Share Class D is German tax registered from October 1, 2010.

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