



**April 2009 Investment Review**

The Hereford/DSM Large Cap Fund appreciated 7.3% for the month of April compared to a 9.6% appreciation for the Russell 1000 Growth index and a 9.6% appreciation for the S&P500. The majority of the fund is invested in the health care, information technology, and services sectors. The weighted average P/E of the portfolio is 13.4x, which we feel is attractive relative to our long-term estimated earnings growth of 18%.

The stock market continues to rally on the belief that the worst of the economic decline is behind, and the expectation that moving forward the economy should slow its decline and then grow. We continue to believe that the economy is likely to produce positive growth numbers in the first quarter of 2010.

The market's rally has been led by those sectors that are most vulnerable to a severe economic contraction. As worries about a possible depression just a few months ago passed, banks, housing companies, deep cyclicals, energy and retailers, to name a few, all rallied substantially from their lows. Needless to say, these are sectors of the marketplace in which we generally do not invest, and that is in large part the reason for our recent underperformance.

The stability of the financial system had been a primary worry for many investors, and in fact was likely the catalyst for much of the market's decline. Recently capital adequacy analysis has been performed by the regulators, and while the results are not yet fully public, confidence is returning to this sector.

During the month of April, we started a position in Expeditors International. This is a company we have held in the past. It is arguably the leading "freight forwarder" in the country. It places freight for a fee on carriers, but owns no trucks, ships or planes itself. With no-debt balance sheet and piles of cash and huge free cash flow, its future earnings are driven by global trade and its ability to continue to gain market share. No other new positions were initiated. We did not entirely sell any positions either.

**Key information**

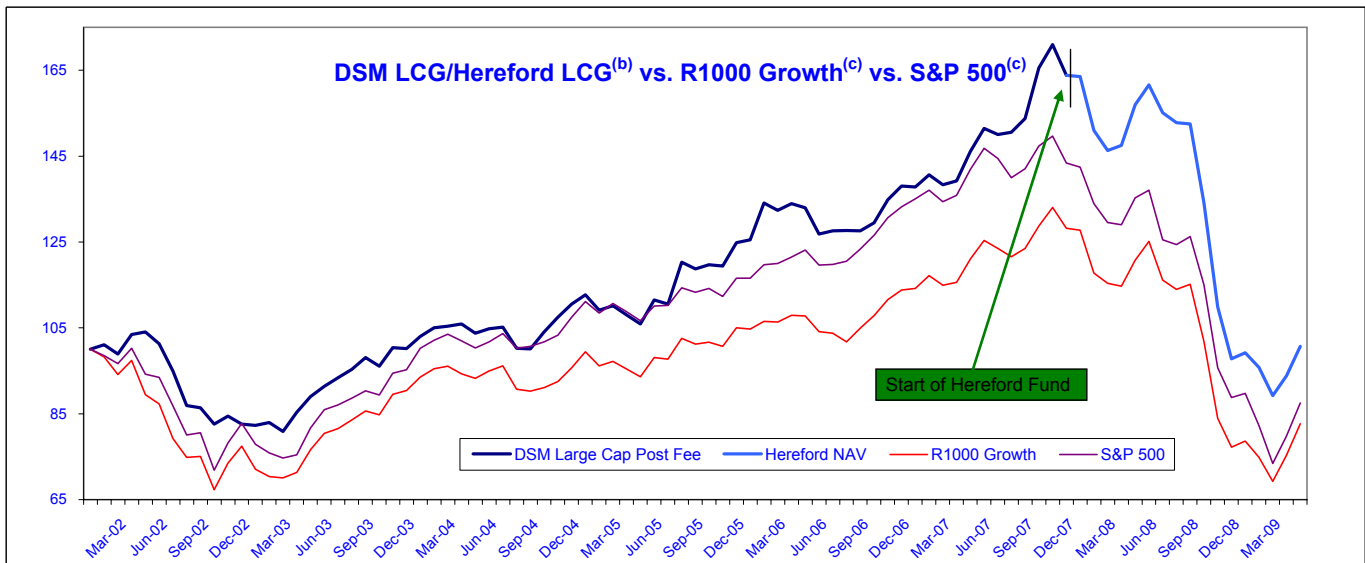
NAV A Shares (30/04/09): US\$61.46  
 Total Fund Size: US \$42.8 mil  
 Strategy Assets: US\$1,325.3 mil<sup>(a)</sup>  
 Fund Launch Date: 29-Nov-07

**Monthly Performance (%)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Hereford Funds NAV	(3.5)	(6.8)	5.1	7.3									1.5
Russell 1000 <sup>(c)</sup>	(4.8)	(7.5)	8.9	9.6									5.1
S&P 500 <sup>(c)</sup>	(8.4)	(10.7)	8.8	9.6									(2.5)

**Period Performance (%)**

	YTD	2008	2007	2006	2005	2004	2003	2002	Since Inception 01/01/02 Cumulative	Annualised
DSM LCG/Hereford LCG Returns <sup>(b)</sup>	1.5	(39.3)	18.7	9.8	11.4	9.4	25.2	(17.7)	0.7	0.1
Russell 1000 <sup>(c)</sup>	5.1	(38.4)	11.8	9.1	5.3	6.3	29.7	(27.9)	(17.4)	(2.6)
S&P 500 <sup>(c)</sup>	(2.5)	(37.0)	5.5	15.8	4.9	10.9	28.7	(22.1)	(12.5)	(1.8)





### Top Five Holdings

Celgene  
Monsanto  
Genzyme  
Google  
Research In Motion Limited

### Sectoral Breakdown

Health Care	37.3%
Information Technology	19.9%
Services	12.1%
Financials	9.0%
Consumer Staples	8.6%
Materials	6.2%
Industrials	3.1%
Consumer Discretionary	1.5%

### % 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 2 billion dollars. 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	14.8	16.0
ISIN	LU0327604228	Sharpe Ratio	n/a	-0.1	-0.3
Reuters	LP65102015	Information Ratio	n/a	0.3	
Sedol	B28TLX2	Tracking Error	n/a	8.2	
Valoren	3504726	Beta	n/a	0.8	
WKN	A0M58T	Alpha	n/a	1.6	

### Fund Details

Dealing Day	Daily
Dividends	None - income accumulated within the fund
Investment Manager	DSM Capital Partners LLC, 320 East Main Street, Mount Kisco, NY 10549, USA
Promoter	VP Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Authorized Corporate Director	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 <sup>(f)</sup>	1.25%
Share Class B	0.25% + 20% performance fee on outperformance vs US T-Bill with HWM
Share Class C <sup>(e)</sup>	1% + 20% performance fee on outperformance vs US T-Bill with HWM
Share Class D	1.75%

### Minimum Investment

Share Class A&B	\$100,000 initial / \$10,000 subsequent
Share Class C&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:

VPB Finance S.A.  
attn. Fund Operations / TA-HFF  
Fax : (+352) 404 770 283  
Tel: (+352) 404 770 260  
e-mail: luxfunds.info@vpbank.com

- (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](http://www.dsmcapital.com)
- (c) Total return including dividends.
- (d) The fund is registered with the AFM for public distribution in the Netherlands
- (e) Share Class C is German tax registered from 4/1/08.
- (f) Share Class U has UK Distributor Status as approved by HMRC

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