

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund appreciated 7.52% for the month of June compared to a 6.74% return for the Russell 1000 Growth Index and a 3.59% return for the S&P 500 both including dividends. At the end of June, the Sub-Fund was invested in the technology, communication services, financials, consumer discretionary, health care, industrials and consumer staples sectors.

For the month, the Sub-Fund exceeded the benchmark by approximately 78bps. This was primarily the result of the Manager’s selections in the technology sector. The Manager’s selections in consumer discretionary and industrials also benefitted performance, while the Sub-Fund’s overweight in financials versus the benchmark detracted from performance. In June, the positions that contributed the most to the portfolio’s return were NVIDIA, Amazon.com, Arista Networks, Microsoft and Autodesk. The positions that detracted the most in the month were Advanced Micro Devices, Visa, Howmet Aerospace, Monster Beverage and Mastercard.

Manager’s Commentary

year and perhaps longer, would be the extent and speed of the decline in the rate of inflation in both the US and Europe. At this time, it appears that inflation is falling around the world. The US Federal Reserve (Fed) will require additional data points indicating that inflation is nearing their 2% target before reducing American interest rates, however recent statistics have led to increasing confidence that rate cuts are possible this autumn. In Europe, the first interest rate cut has occurred, meaning the European Central Bank (ECB) believes inflation is largely under control at the 2% level. However, the ECB will also require solid evidence that inflation is largely dormant before cutting rates again.

In the US the economy is continuing to generate a nearly perfect scenario of steady growth, full employment and falling inflation. Nevertheless, many Americans are unhappy with the economy’s recent performance and this dissatisfaction is registering in polling leading to the November elections. Unfortunately, the economic outlook in Europe is not as sanguine as in the US with economic growth disappointing many and election results in both France and the United Kingdom confirming the discontent of the populace. Importantly, despite disappointment amongst voters on both sides of the Atlantic, economic growth remains more robust and inflation lower than investors expected a year ago. The Manager continues to be of the opinion that should critical economic indicators remain strong and rate cuts are delayed or are fewer than generally expected, the market is likely to continue to move higher. On the other hand, if the economy softens and rates are lowered sooner, they believe the market may also move higher. In DSM’s view, a 4.3% ten-year yield is very low historically and will comfortably support a market with a 19x to 22x price/earnings multiple, as long as the intermediate to longer term economic outlook is reasonably positive.

In the Manager’s view, the total portfolio is quite rationally valued on both forward four quarter earnings through June of 2025 and calendar year 2025 earnings. Furthermore, they believe the technology-related positions in the portfolio, with an average projected growth rate in the low twenties based on DSM’s internal calculations, are very attractively priced. Moreover, the Manager believes it is possible that the AI earnings upside in these companies is still not fully reflected in their stock prices at this time, and they will continue to benefit from strong cloud, internet, software, semiconductor and security demand.

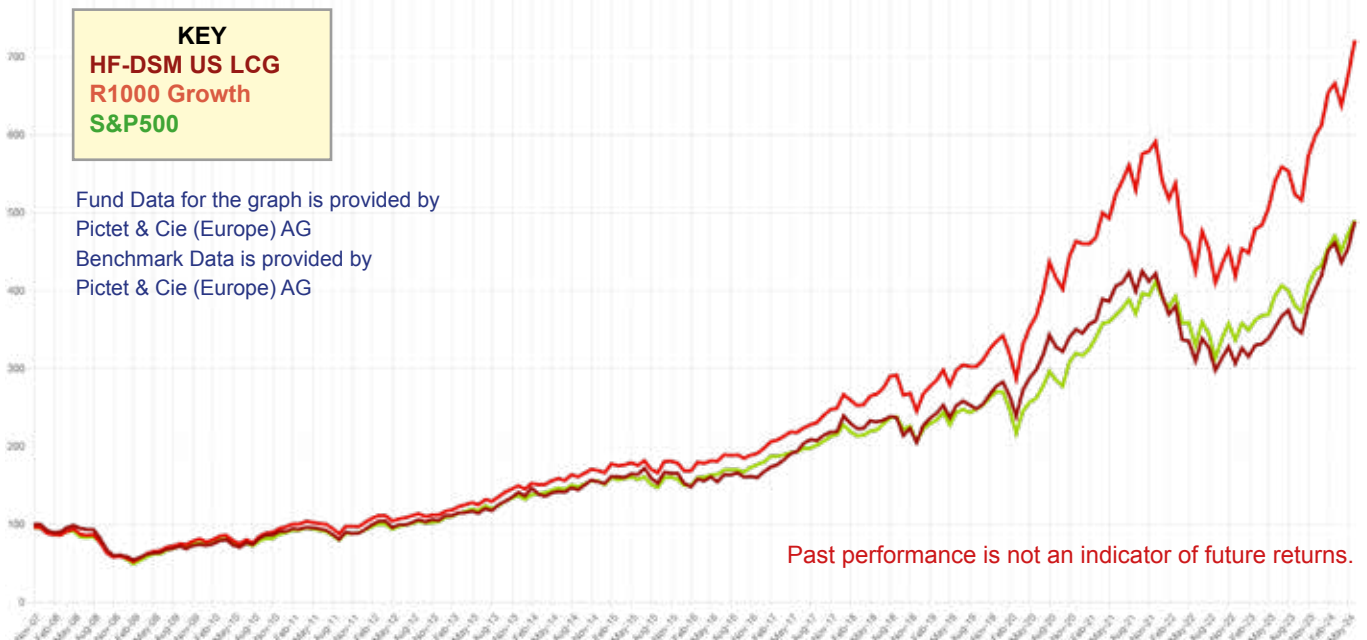
Key Information

NAV A Shares (30/06/24)	US\$ 488.8	Strategy Assets	US\$ 6,167.1 ^(a)
Total Fund Size (all share classes)	US\$ 86.1 m	Fund Launch Date	29-Nov-07

Monthly Performance (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
HF-DSM US LCG	4.6	7.8	2.0	(5.9)	4.2	7.5							21.9
Russell 1000 Growth^(c)	2.5	6.8	1.7	(4.3)	6.0	6.7							20.7
S&P 500^(c)	1.7	5.3	3.2	(4.1)	5.0	3.6							15.3

Period Perf (%)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Cumulative	Annualised
DSM US LCG Returns ^(b)	30.7	(27.8)	20.5	26.4	35.0	(6.2)	36.8	(3.3)	7.0	9.7	34.1	18.2	(2.0)	21.9	22.8	(39.3)	18.7	9.8	388.8	10.0%
Russell 1000 Growth ^(c)	42.7	(29.5)	27.5	38.5	36.4	(1.5)	30.2	7.1	5.7	13.1	33.5	15.3	2.6	16.7	37.2	(38.4)	11.8	9.1	621.5	12.6%
S&P 500 ^(c)	26.2	(18.1)	28.6	18.4	31.3	(4.4)	21.8	12.0	1.4	13.7	32.4	16.0	2.1	15.1	26.5	(37.0)	5.5	15.8	390.3	10.0%

HF-DSM US LCG vs. R1000 Growth vs. S&P500



Top Ten Holdings	
Advanced Micro Devices	Fiserv
Alphabet (Cl. A)	Intuit
Amazon.com	Meta Platforms
Apple	Microsoft
Arista Networks	NVIDIA

Sectoral Breakdown	% of Assets
Information Technology	49.2%
Communication Services	14.6%
Financials	12.1%
Consumer Discretionary	9.3%
Health Care	6.3%
Industrials	5.3%
Consumer Staples	2.0%

Investment Objective

The investment objective of the HF-DSM US LCG is to provide capital appreciation principally through investments in US-based growing corporations with market capitalizations generally above US\$ 5 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

The Sub-Fund is actively managed. The benchmark indices of the Sub-Fund are the S&P 500 and the Russell 1000 Growth. They are used for performance comparison purposes. The Investment Manager is not in any way constrained by the benchmark indices in its portfolio positioning. This means the Investment Manager is taking investment decisions without reference to a benchmark index. The Sub-Fund can deviate significantly from the benchmark indices

Fund Codes	
Bloomberg	DSMUSLA LX
ISIN	LU0327604228
Reuters	LP65102015
Sedol	B28TLX2
	3504726
WKN	A0M58T

Since inception	HF-DSM US LCG	HF-DSM US LCG Composite	R1000 Growth
Volatility	n/a	15.8	16.2
Sharpe Ratio	n/a	0.5	0.6
Information Ratio	n/a	-0.1	
Tracking Error	n/a	6.2	
Beta	n/a	0.9	
Alpha	n/a	0.1	

Fund Details	
Dealing Day	Daily
Dividends	None - income accumulated within the fund
Investment Manager	DSM Capital Partners LLC 7111 Fairway Drive, Suite 350, Palm Beach Gardens, FL 33418
Management Company	FundPartner Solutions (Europe) S.A. 15, Avenue John F Kennedy, L-1855 Luxembourg
Custodian	Pictet & Cie (Europe) AG, Succursale de Luxembourg. 15A, Avenue John F Kennedy, L-1855 Luxembourg
Legal Advisers	Elvinger, Hoss & Prussen 2 Place Winston Churchill, L-1340 Luxembourg
Auditor	Deloitte Audit S.à.r.l. 560 Rue de Neudorf, L-2220 Luxembourg

All Data in this factsheet is provided by Pictet & Cie (Europe) AG, FundPartner Solutions (Europe) S.A. and DSM Capital Partners LLC

Minimum Investment	
Share Class A	\$100,000 initial subscription

Share Class	Mgmt Fees	ISIN	TER	Entry Fee	Exit Fee
A	1.25%	LU0327604228	1.35%*	0%	0%

This document should be read as a marketing communication.

Risk Disclaimer - This current risk profile is based on historical data and may not be a reliable indication of the future risk profile of the Sub-Fund. - The risk category shown is not guaranteed and may shift over time. - The lowest category, which corresponds to Number 1, cannot be regarded as being risk-free. - The Sub-Fund does not provide any capital guarantee or asset protection measures. Why is this Sub-Fund in this category? The investment objective of the Sub-Fund is to generate long-term capital growth and income by investing in equities and equity-linked securities of US Companies. Hence, the risk/reward profile of the SubFund should correspond to a high risk category on the risk/reward scale. The contents of this document are communicated by, and the property of, Hereford Funds. This document is for information purposes and internal use only. It is neither an advice nor a recommendation to enter into any investment. Investment suitability must be determined individually for each investor, and the financial instruments described above may not be suitable for all investors. This information does not provide any accounting, legal, regulatory or tax advice. Please consult your own professional advisers in order to evaluate and judge the matters referred to herein. An investment should be made only on the basis of the prospectus, the Key Information Document (KID) the annual and any subsequent semi-annual-reports of HEREFORD FUNDS (the "Fund"), a société d'investissement à capital variable, established in Luxembourg and registered under Part I of Luxembourg law of 20 December, approved by the Commission de Surveillance du Secteur Financier (CSSF). These can be obtained in English from the Fund, from FundPartner Solutions (Europe) SA, 15 avenue J. F. Kennedy, L-1855 Luxembourg, and any distributor or intermediary appointed by the Fund. **You can obtain a summary of investors rights to the following link:**
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Order Transmission Information

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- This refers to the total assets invested in the reference strategy managed by the Investment Manager.
- 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.
- Total return including dividends.

Registration

For our latest registration information, please see
<https://herefordfunds.com/library/country-registrations>

France - Centralizing Correspondent as defined by French Regulation:
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Switzerland - Representative and Paying Agent as defined by Swiss Regulation:
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The figures shown do not include all the costs of the product itself. For further information on the costs, please refer to the prospectus and other fund documents.
* Financial Year ending September 2023