

### Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund depreciated (0.97)% for the month of November compared to a 0.28% return for the Russell 1000 Growth Index and a 0.30% return for the S&P 500 including dividends. At the end of November, the Fund was invested primarily in the technology, health care and consumer discretionary sectors, with smaller weights in the financials, industrials and consumer staples sectors.

For the month, the Fund trailed the benchmark by approximately 125 bps. This was primarily the result of the Manager's selections in the health care and consumer discretionary sectors. In November, the best performing positions in the portfolio were NXP Semiconductors, Monster Beverage, Alphabet (Cl. A & C), Dollar Tree and Tencent Holdings. The worst performers for the month were Priceline Group, Celgene, Cerner, Cognizant Technology Solutions and Shire.

### Manager's Commentary

DSM's multi-year global economic outlook of stable 3% growth remains our expectation, although we would assert that global economic activity is possibly slowing. We believe economic growth of 2.5% is probable in the United States. We are "cautiously optimistic" that economic growth in China will continue in the 6% to 7% range, albeit now at the lower end of that projection. In Europe, growth of 1% going forward would be a solid outcome, while the United Kingdom remains an economic bright spot with growth possibly nearing that of the US. Japan's economic outlook continues to indicate fractional growth at best, with near zero inflation an ongoing challenge. With growth slow and inflation low, most central banks around the world remain accommodative. Although rates may rise in the US or UK over the next quarter or two, we believe the rate of increase will be slow.

We continue to believe that while many well-publicized geopolitical risks remain of concern to investors, the positive scenario of an improving and increasingly stable global financial system, low inflation, slow global economic growth, low interest rates and growing corporate earnings are positive variables that continue to form the foundation of an upwardly driven bull market. In our view, with the exception of energy and commodity-related businesses, corporate profits remain reasonably solid. Therefore, we believe the recent market downturn was more the result of fear and uncertainty rather than actual reductions in earnings. We estimate that the strength of the US dollar, relative to most foreign currencies, negatively impacted both revenue and earnings growth by several percentage points in the third quarter. However, we believe the combination of the dollar's strength and steady American growth will continue to attract capital from around the world. In our opinion, nations with a strong currency tend to attract global capital which drives equity valuations upward. Accordingly, valuations will likely expand as investors look past the negative earnings impact of the appreciating US dollar.

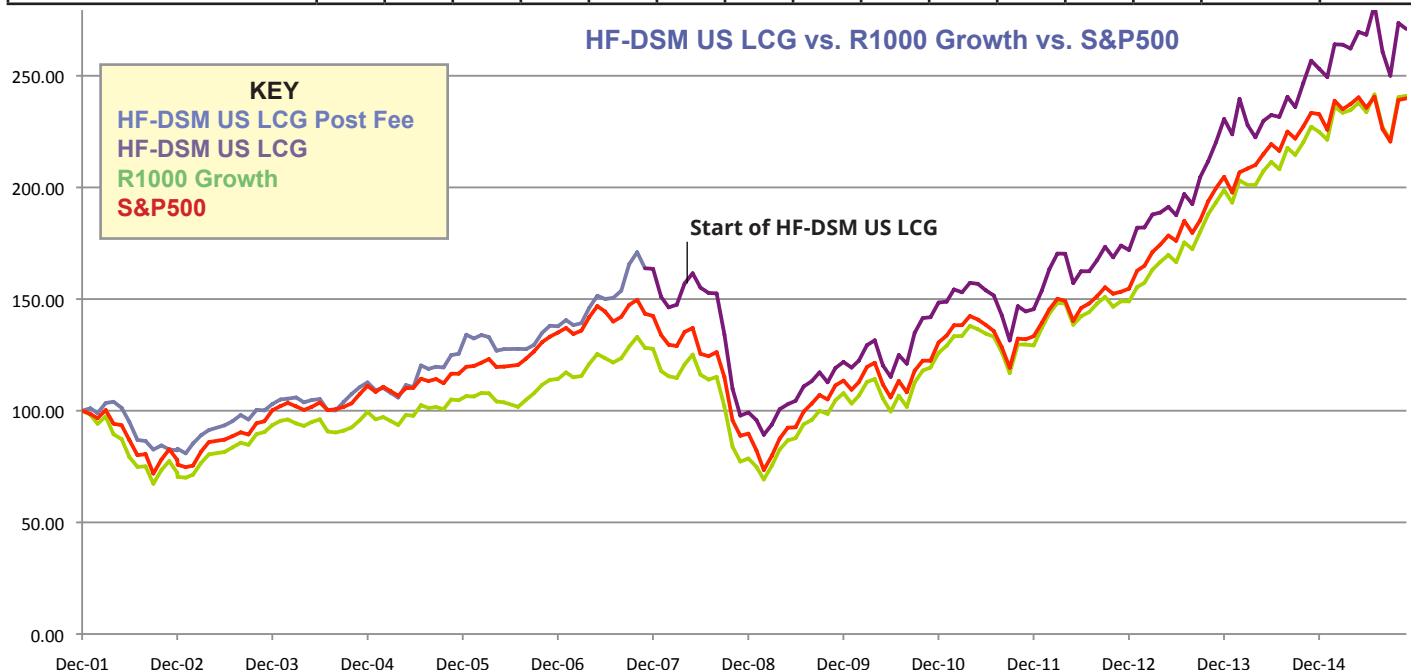
The portfolio continues to be focused on unique global businesses that have been identified, and are continuously subject to analysis, by our investment team. We believe that the valuation of the portfolio, at 20x calendar year 2016 earnings based on our calculations, continues to be attractive in the current slow growth economic environment and relative to the market.

### Key Information

NAV A Shares (30/11/15)	US\$ 165.38	Strategy Assets	US\$ 5,058.6m <sup>(a)</sup>
Total Fund Size (all share classes)	US\$ 119.7m	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	-1.5	5.9	-0.1	-0.7	2.8	-0.5	4.9	-7.4	-4.1	9.4	-1.0		7.0
Russell 1000 Growth <sup>(c)</sup>	-1.5	6.7	-1.1	0.5	1.4	-1.8	3.4	-6.1	-2.5	8.6	0.3		3.0
S&P 500 <sup>(c)</sup>	-3.0	5.7	-1.6	1.0	1.3	-1.9	2.1	-6.0	-2.5	8.4	0.3		7.2

Period Performance (%)	YTD	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	Cumulative	Annualised
HF-DSM US LCG Returns <sup>(b)</sup>	7.0	9.7	34.1	18.2	(2.0)	21.9	22.8	(39.3)	18.7	9.8	11.4	9.4	25.2	149.4	7.49%
Russell 1000 Growth <sup>(c)</sup>	3.0	13.1	33.5	15.3	2.6	16.7	37.2	(38.4)	11.8	9.1	5.3	6.3	29.7	121.4	6.53%
S&P 500 <sup>(c)</sup>	7.2	13.7	32.4	16.0	2.1	15.1	26.5	(37.0)	5.5	15.8	4.9	10.9	28.7	125.8	6.49%



# HF Hereford Funds

Top Ten Holdings	
Adobe Systems	Celgene
Alexion Pharmaceuticals	Cognizant Technology Solutions
Alibaba Group Holding	Facebook
Allergan	Priceline Group
Alphabet (Cl. A & C)	Tencent Holdings

Sectoral Breakdown	% of Assets
Information Technology	39.7%
Health Care	30.5%
Consumer Discretionary	15.0%
Financials	5.5%
Industrials	4.4%
Consumer Staples	3.1%

## 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.

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	14.8	15.0
Sharpe Ratio	n/a	0.4	0.3
Information Ratio	n/a	0.1	0.1
Tracking Error	n/a	6.6	
Beta	n/a	0.9	
Alpha	n/a	1.5	

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
Management Company	BSI Fund Management S.A. 44F, rue de la Vallée, L-2661 Luxembourg
Custodian	BSI Europe S.A. 122, Rue Adolphe Fischer L-1521 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

Annual Management Charge	
Share Class A & U <sup>(e)</sup>	1.25%
Share Class D <sup>(f)</sup>	1.75%

Minimum Investment	
Share Class A & U <sup>(e)</sup>	\$100,000 initial / \$10,000 subsequent
Share Class D	\$10,000 initial / \$1,000 subsequent

## Order Transmission Information

### Original Applications To:

UBS Fund Services  
Attn.: Transfer Agent  
33a avenue J.F. Kennedy  
L-1855 Luxembourg

### Subsequent Applications Only Via Facsimile:

UBS Fund Services  
Attn.: Transfer Agent  
Fax : (+352) 4410106417  
Tel: (+352) 4410106404  
Email: sh-ubsfsl-transferagent@ubs.com

- 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](http://www.dsmcapital.com).
- Total return including dividends.
- The fund is registered with the BaFin for public distribution in Germany from 17/10/12, registered with the AFM for public distribution in the Netherlands and registered with the AMF for public distribution in France.
- Share Class U has been granted Reporting Status by HMRC as of October 1, 2010.
- Share Class D is German tax registered from October 1, 2010.

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