

DSM US Large Cap Growth Sub-Fund Class A - November 2022

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund appreciated 4.58% for the month of November compared to a 4.56% return for the Russell 1000 Growth Index and a 5.59% return for the S&P 500 both including dividends. At the end of November, the Sub-Fund was invested in the technology, health care, consumer discretionary, communication services, financials, consumer staples and materials sectors.

For the month, the Sub-Fund exceeded the benchmark by approximately 2bps. This was primarily the result of the Manager's selections and underweight in consumer discretionary versus the benchmark. The Manager's selections in the communication services sector also benefited performance. In November, the positions that contributed the most to the portfolio's return were Microsoft, Alphabet, NVIDIA, SolarEdge Technologies and Burlington Stores. The positions that contributed the least in the month were Amazon.com, Global Payments, PayPal Holdings, Autodesk and Intuit.

Manager's Commentary

The year-over-year growth rate of M2 money supply through the end of October fell below its historic sixty-year average level. Right on cue, both the CPI on November 10th followed by the PPI on November 15th delivered lower than expected inflation reports providing a spark for a significant upward move in the market. The Manager has maintained that lower money supply growth should lead to a lower inflation rate in the not-too-distant future. Although the recent rebound in global equity markets reflects investor optimism that "peak" inflation is past, critical questions remain. First, how high must interest rates rise to reduce inflation to the Fed's 2% target? Second, how quickly will inflation reach the 2%, or even 3% target? Since early October, the CPI and PPI reports have come in lower than expected leading to a rally in equity markets, as well as a discussion of lower interest rate increases by the Federal Reserve and ECB. Thus far, it appears that the declining growth of M2 may, once again, be a leading indicator of declining inflation. While the pace of the decline in inflation is highly uncertain, the Manager believes that should it continue to fall, even at a moderate pace, the market's risk versus reward favors the buyer.

At this time, rising rates in combination with a weak or recessionary global economic environment should lead to slower growth in wages, and gradually reduce demand for interest rate sensitive products such as homes, cars and industrial equipment. The impact of this reduced demand will become apparent across geographies and across industries, especially those that are cyclical. The Russian invasion of Ukraine may well exacerbate recessionary pressures. As rates rise, the global economic outlook continues to deteriorate, increasing the risk of a global recession next year. Although in the near-term a tight money supply in the US and EU may contribute to a recessionary environment, it should eventually lead to lower inflation and an improving economic outlook that would have been impossible to achieve with continued high rates of inflation.

There have been a number of changes to the Sub-Fund portfolio over the last several quarters. The Manager will continue to initiate and add to positions opportunistically. In DSM's view, ongoing investor concerns over high inflation and rising interest rates will result in continued volatility. Accordingly, they believe careful attention to the valuation of the portfolio is warranted. With GDP forecasts being cut, DSM is also closely monitoring the resiliency of earnings growth of the companies in the portfolio. However, even if the global economy is weak, the Manager believes the market will "look through" the recession to the eventual recovery. Importantly, in DSM's view, the earnings power of the companies in the portfolio remains largely intact. Given the economic resilience of the Sub-Fund portfolio, along with its reasonable valuation and a normalized mid-to-high-teens earnings growth rate going forward, the Manager sees this as an attractive time to be a holder of premier quality growth businesses.

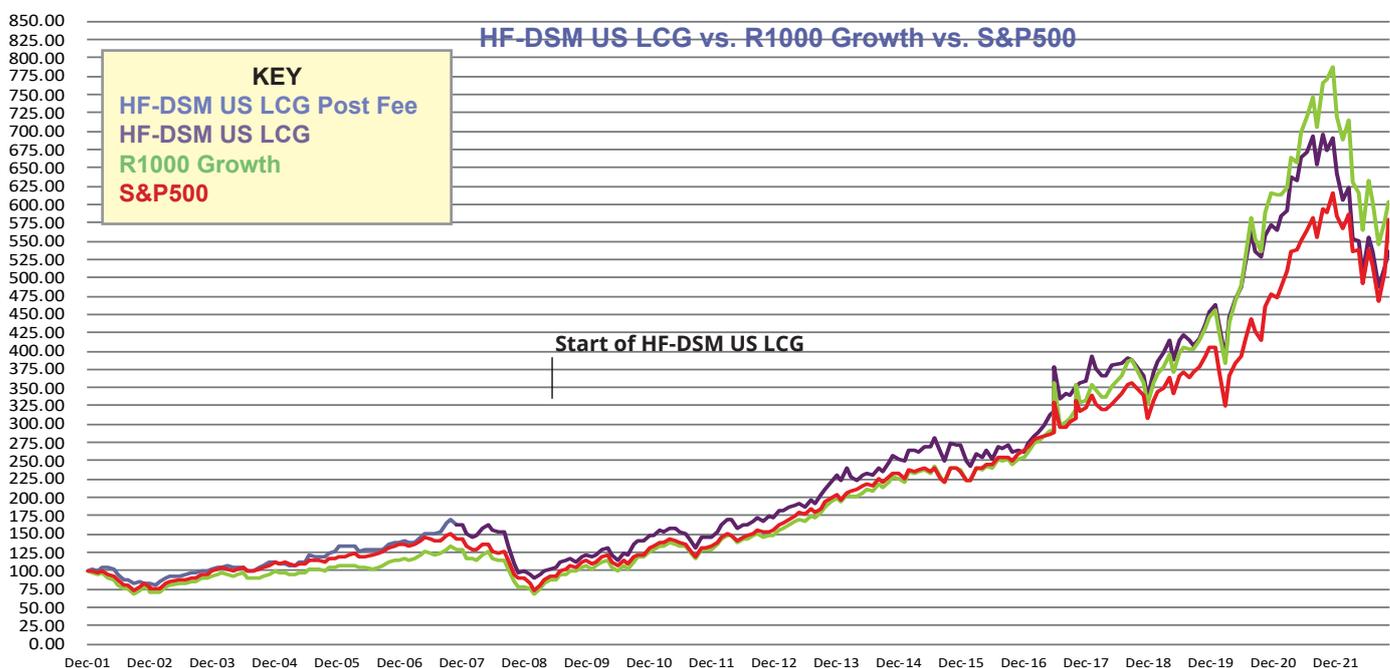
Key Information

NAV A Shares (30/11/22) US\$ 327.74
Total Fund Size (all share classes) US\$ 69.44m

Strategy Assets US\$ 5,659.4^(a)
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	(6.9)	(5.9)	3.0	(11.4)	(0.6)	(7.6)	9.2	(3.4)	(9.0)	5.3	4.6		(22.3)
Russell 1000 Growth ^(c)	(8.6)	(4.3)	2.9	(12.4)	(2.2)	(7.9)	12.0	(4.7)	(9.7)	5.8	4.6		(23.3)
S&P 500 ^(c)	(5.2)	(3.0)	2.7	(8.7)	0.2	(8.3)	9.2	(4.1)	(9.2)	8.1	14.1		(6.1)

Period Performance (%)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Cumulative	Annualised
HF-DSM US LCG Returns ^(b)	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	436.9	8.37%
Russell 1000 Growth ^(c)	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	478.4	8.98%
S&P 500 ^(c)	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	503.7	8.75%



HF Hereford Funds

Top Ten Holdings

Accenture	EPAM Systems
Adobe	Intuit
Alphabet (Cl. A)	Microsoft
Amazon.com	Charles Schwab
Boston Scientific	Visa

Sectoral Breakdown	% of Assets
Information Technology	53.2%
Health Care	11.4%
Consumer Discretionary	9.8%
Communication Services	8.6%
Financials	8.4%
Consumer Staples	5.6%
Materials	2.3%

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		Since inception	HF-DSM US LCG	HF-DSM US LCG Composite	R1000 Growth
Bloomberg	DSMUSLA LX	Volatility	n/a	15.7	16.0
ISIN	LU0327604228	Sharpe Ratio	n/a	0.5	0.5
Reuters	LP65102015	Information Ratio	n/a	-0.1	
Sedol	B28TLX2	Tracking Error	n/a	6.3	
	3504726	Beta	n/a	0.9	
WKN	A0M58T	Alpha	n/a	0.3	

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) S.A. 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

Order Transmission Information

FundPartner Solutions (Europe) S.A.
15, avenue J. F. Kennedy
L-1855 Luxembourg

Via Fax +352 46 71 71 7667
or SWIFT PICTLULXTAS

- 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.
- 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.

Annual Management Charge

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

France - Centralizing Correspondent as defined by French Regulation:

Société Générale - Order Desk, 32, avenue du Champ de Tir, BP 81236, F-44312 Nantes Cedex 3
Phone: +33/2.51.85.66.40, Fax: +33/2.51.85.58.71

Germany - Paying Agent as defined by German Regulation:

Marcard, Stein & Co - Ballindamm 36, 20095 Hamburg
Phone: +49/40.32.099.556, Fax: +49/40.32.099.206

Switzerland - Representative and Paying Agent as defined by Swiss Regulation:

FundPartner Solutions (Suisse) SA (route des Acacias 60, 1211 Geneva 73, Switzerland) as Swiss representative and Banque Pictet & Cie SA (route des Acacias 60, 1211 Geneva 73, Switzerland) as Swiss paying agent.

Minimum Investment

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

The contents of this marketing communication are communicated by, and the property of, Hereford Funds. This document is for information purposes. 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 KIID, and 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 from the Fund, from FundPartner Solutions (Europe) SA, 15 avenue J. F. Kennedy, L-1855 Luxembourg, from the Swiss representative, and any distributor or intermediary appointed by the Fund. No warranty is given, in whole or in part, regarding performance of the Fund. There is no guarantee that its investment objectives will be achieved. Potential investors shall be aware that the value of investments can fall as well as rise and that they may not get back the full amount invested. Past performance is no guide to future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. The information provided in this document may be subject to change without any warning or prior notice and should be read in conjunction with the most recent publication of the prospectus of the Fund.

Whilst great care is taken to ensure that information contained herein is accurate, no responsibility can be accepted for any errors, mistakes or omission or for future returns. This document is intended for the use of the addressee or recipient only and may not be reproduced, redistributed, passed on or published, in whole or in part, for any purpose, without the prior written consent of HEREFORD FUNDS. Neither the CSSF nor any other regulator has approved this document.