

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund appreciated 4.91% for the month of July compared to a 3.39% return for the Russell 1000 Growth Index and a 2.10% return for the S&P 500 including dividends. At the end of July, the Fund was invested primarily in the technology, health care and consumer discretionary sectors, with smaller weights in the industrials, financials and consumer staples sectors.

For the month, the Fund exceeded the benchmark by approximately 150 bps. This was primarily the result of the Manager's selections in the technology and health care sectors. In July, the best performing positions in the portfolio were Google, Celgene, Visa, Allergan and Alexion Pharmaceuticals. The worst performers for the month were Biogen, Tencent Holdings, Affiliated Managers Group, Alibaba Group and Monsanto.

Manager's Commentary

DSM's long-standing multi-year global economic outlook of stable 3% type growth remains unchanged, although recent events in China and Greece could move growth lower. While we continue to believe the US economic outlook remains largely unchanged, economic risks globally have risen. The Greek economy is simply too small to significantly impact the world, or even the European economies, however, the ongoing bear market in Chinese equities may prove to be a more significant challenge globally. The Chinese economy was already slowing, and the decline in Chinese equities may well have a negative impact on Asian economic growth. We are "cautiously optimistic" that economic growth in China will remain in the 6% to 7% range, albeit now at the lower end of that projection.

The recent decline in the Chinese equity markets may have a rollover impact on the global commodities markets, and perhaps the timing of the long awaited US Federal Reserve rate increase. Lower growth, especially in China which is a huge buyer of raw materials, has created a sell-off in commodities that indicates global deflationary pressures may still exist. The supply of many commodities remains ample, and the high profile oil market is no exception with US crude production reaching nearly five decade highs. Unfortunately higher production means lower prices. As crude nears \$50 the financial stress on debt heavy crude producers throughout the world increases the risk of defaults on borrowings in that industry. Unlike China, most emerging markets economies export commodities, and falling commodity prices can only slow their economic growth. For the Federal Reserve, downside pressures to inflation, combined with slower economic growth, may well push back their first rate increase from September of this year to 2016.

Our strategy continues to focus on investments in businesses that generate the majority of their weighted revenue in North America and emerging markets. 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, low energy prices, steady global economic growth, low interest rates and growing corporate earnings are positive variables that, while not headline-making news, continue to form the foundation of an upwardly-driven bull market. More recently, the quantitative easing program undertaken by the European Central Bank, The Bank of Japan and the Bank of China may also prove to be supportive of global financial markets. The portfolio continues to be focused on unique global businesses that have been identified, and are continuously subject to analysis, by our ten-member investment team. We believe that the valuation of the portfolio, at 21.9x next-four-quarter earnings through June of 2016, and 19.9x 2016 earnings, based on our calculations, continues to be attractive in the current slow growth economic environment and relative to the market. We also continue to project a mid-to-high "teens" earnings growth rate through 2018. Additionally, the portfolio holdings remain characterized by strong balance sheets and significant free cash flow.

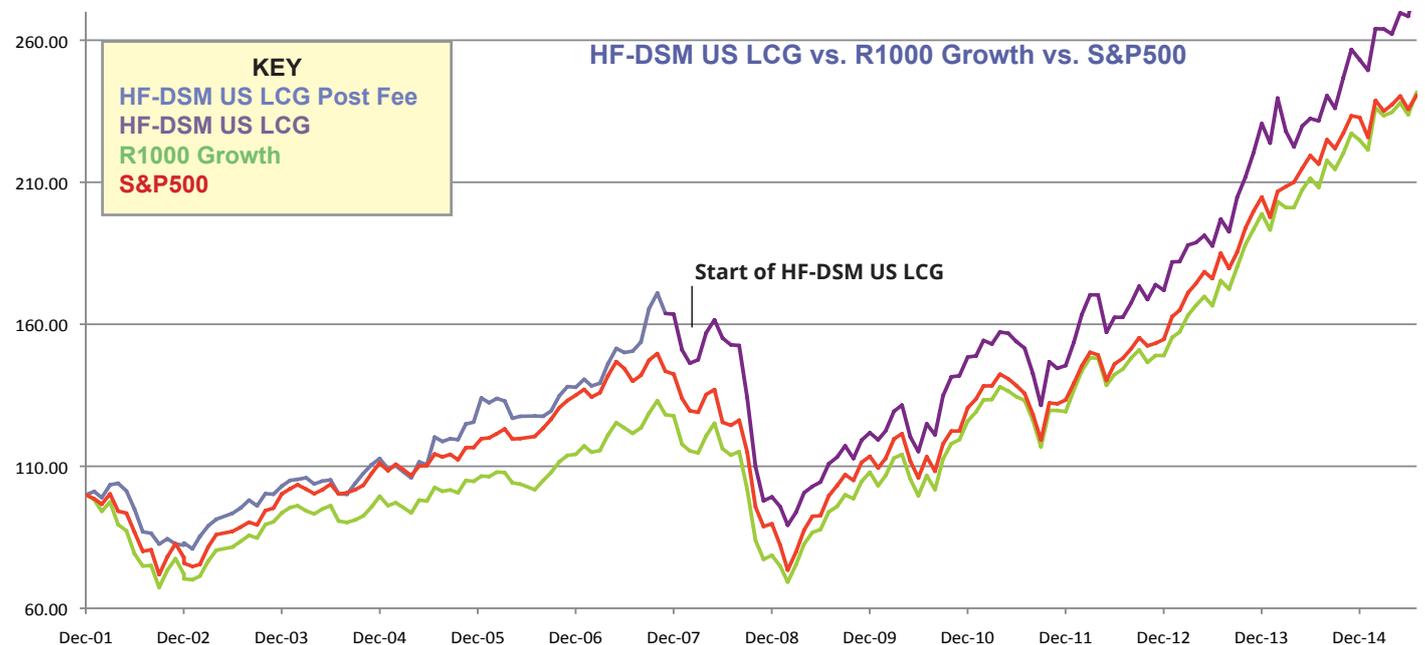
Key Information

NAV A Shares (31/07/15) US\$ 171.87
Total Fund Size (all share classes) US\$ 140.3m

Strategy Assets US\$ 4,879.4m^(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	-1.5	5.9	-0.1	-0.7	2.8	(0.5%)	4.9						11.2
Russell 1000 Growth ^(c)	-1.5	6.7	-1.1	0.5	1.4	(1.8%)	3.4						7.5
S&P 500 ^(c)	-3.0	5.7	-1.6	1.0	1.3	(1.9%)	2.1						3.4

Period Performance (%)	YTD	2014	2013	2012	2011	2009	2009	2008	2007	2006	2005	2004	2003	Cumulative	Annualised
HF-DSM US LCG Returns ^(b)	11.2	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	7.7%
Russell 1000 Growth ^(c)	7.5	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	6.7%
S&P 500 ^(c)	3.4	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	6.8%



HF Hereford Funds

Top Ten Holdings

Alexion Pharmaceuticals	Google (Cl. A & C)
Allergan	MasterCard
Celgene	Priceline Group
Cognizant Technology Solutions	Shire
Facebook	Visa

Sectoral Breakdown	% of Assets
Information Technology	36.4%
Health Care	27.1%
Consumer Discretionary	20.2%
Industrials	6.5%
Financials	6.2%
Consumer Staples	3.0%
Materials	2.5%

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	14.6	14.9
ISIN	LU0327604228	Sharpe Ratio	n/a	0.5	0.4
Reuters	LP65102015	Information Ratio	n/a	0.1	0.2
Sedol	B28TLX2	Tracking Error	n/a	6.7	
	3504726	Beta	n/a	0.9	
WKN	A0M58T	Alpha	n/a	1.8	

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 ^(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:

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
Tel: (+352) 4410106417
Fax: (+352) 4410106410
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.
- 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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