

Investment Review

The Hereford/DSM US Large Cap Growth Sub-Fund appreciated 4.97% for the month of November compared to a 4.44% return for the Russell 1000 Growth Index and a 3.63% return for the S&P 500 both including dividends. At the end of November, the Sub-Fund was primarily invested in the technology, communication services, consumer discretionary and health care sectors, with smaller weights in the consumer staples and financials sectors.

For the month, the Sub-Fund exceeded the benchmark by approximately 53bps. This was primarily the result of the Manager's selections in the consumer discretionary sector. The Manager's selections in health care detracted from performance. In November, the positions that contributed the most to the portfolio's return were Alibaba Group, Adobe, Microsoft, EPAM Systems and Burlington Stores. The positions that contributed the least in the month were Zoetis, Booking Holdings, Palo Alto Networks, Intuit and Boston Scientific.

Manager's Commentary

DSM's investment approach is built on the simple indisputable fact that over time "Earnings Win" because businesses tend to appreciate in value as earnings grow. The portfolio's calendar year 2019 first quarter results were reported six months ago, with revenues growing 16% and earnings growing 19% on a weighted average basis. The portfolio's calendar year 2019 second quarter results were reported three months ago, with revenues growing 18% and earnings growing 16% on a weighted average basis. With all twenty-six companies in the portfolio as of September 30th having reported, that strong trend has continued with third quarter 2019 results of 17% revenue growth and 18% earnings growth based on the Manager's calculations. DSM believes the portfolio remains attractively valued, based on their longer-term projections of continued high teens earnings growth and a forward P/E of 24.2x for twelve months through December of 2020.

It remains the Manager's long-standing belief that given a growing global economy, moderate inflation and low interest rates, global equity markets should provide a normal long-term total rate of return of 5% to 9%. The US and China continue to grow more rapidly than Europe, although the trade war and a related decline in economic confidence has certainly slowed growth in both nations. However, with the news that phase one of a trade deal is reportedly in the works, which would include a roll-back of some tariffs, the market has reacted positively. In the meantime, the US should continue to churn out 2% economic growth, which when combined with very low unemployment, roughly 1.7% inflation, wage increases of 3% and a similar level of productivity, appears very solid. In China, the growth rate will likely fall below 6% over the coming year, unless a trade deal is reached. Western European economic growth remains slightly above 1% as trade issues, Brexit and ongoing political issues in Spain and Italy create an uncertain outlook for the EU's economy. Given the slower, albeit ongoing economic growth in the United States, China and Europe, DSM believes global economic growth will approximate 2.5% to 3% in 2019. As the Manager has said for many years, "Bull markets climb a wall of worry" and they expect that global equity markets will continue to trend higher.

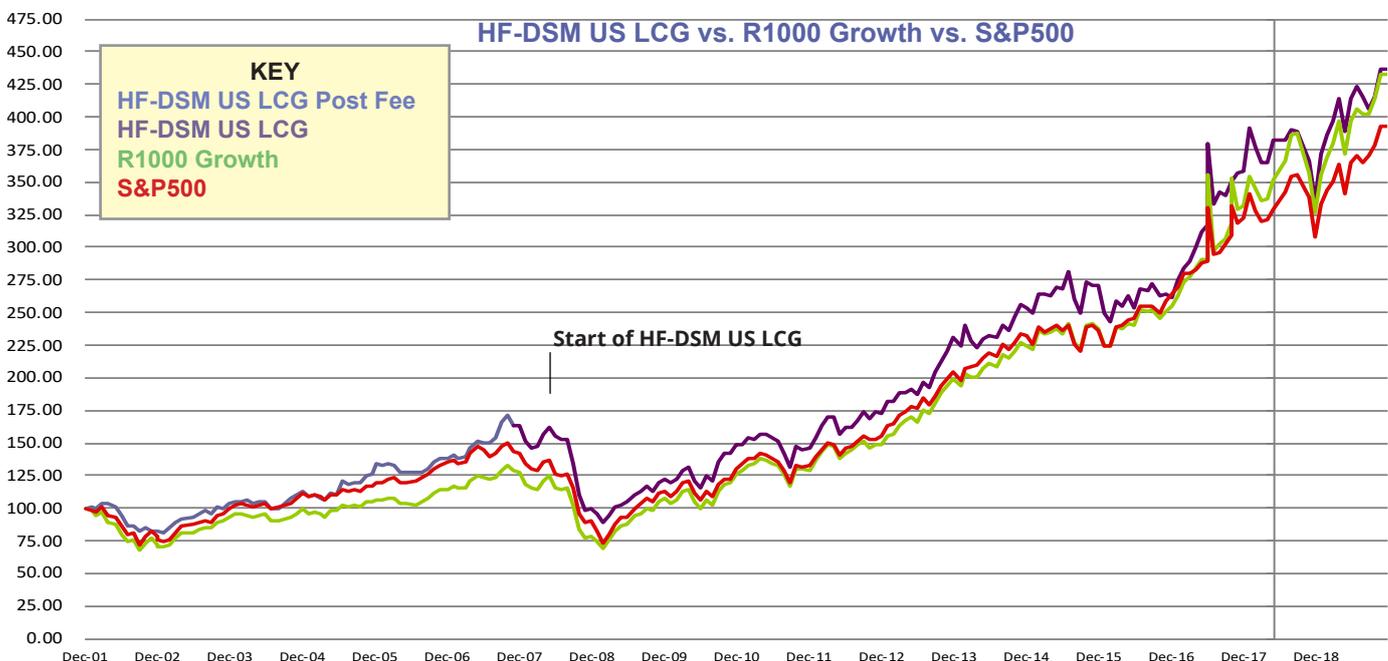
Key Information

NAV A Shares (30/11/19) US\$ 266.6
Total Fund Size (all share classes) US\$ 76.2m

Strategy Assets US\$ 5,829.6m^(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	10.5	4.1	2.6	4.3	-6.2	6.5	2.2	-1.9	-2.0	2.3	5.0		29.9
Russell 1000 Growth ^(c)	9.0	3.6	2.9	4.5	-6.3	6.9	2.3	-0.8	0.0	2.8	4.4		32.4
S&P 500 ^(c)	8.0	3.2	1.9	4.0	-6.4	7.1	1.4	-1.6	1.7	2.2	3.6		27.4

Period Performance (%)	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	Cumulative	Annualised
HF-DSM US LCG Returns ^(b)	(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	336.6	8.53%
Russell 1000 Growth ^(c)	(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	292.4	8.47%
S&P 500 ^(c)	(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	332.3	7.89%



HF Hereford Funds

Top Ten Holdings	
Adobe	Facebook
Alibaba Group	Microsoft
Alphabet (Cl. A)	PayPal Holdings
Amazon.com	Tencent Holdings
Automatic Data Processing	Visa

Sectoral Breakdown	% of Assets
Information Technology	40.4%
Communication Services	19.5%
Consumer Discretionary	18.4%
Health Care	18.1%
Consumer Staples	1.5%
Financials	0.9%

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	14.7	14.5
ISIN	LU0327604228	Sharpe Ratio	n/a	0.5	0.5
Reuters	LP65102015	Information Ratio	n/a	0.0	
Sedol	B28TLX2	Tracking Error	n/a	6.4	
	3504726	Beta	n/a	0.9	
WKN	A0M58T	Alpha	n/a	0.8	

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

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

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