Vermeer Global Fund

September 2021

Investment Objective

The aim of the fund is the generate long term capital growth. The fund invests in a diversified portfolio of global equities that have an attractive growth potential. The portfolio will hold between 30 and 60 stocks.

Rolling Performance – Class A GBP

	1m	6m	1 Year	3 Year	YTD
Class A	-2.37%	11.56%	17.93%	46.42%	11.05%

	2017	2018	2019	2020	ITD*
Class A	18.99%	-2.03%	25.90%	17.60%	95.34%

**ITD performance based off Fund launch price*

Portfolio Manager	Tim Gregory
Inception Date	5th December 2016
Base Currency	GBP
Dealing	Daily
Initial Charge	None
AUM	£49.4m
Estimated Yield	1.5%
No. of Holdings	60 holdings
Active Share	83.6%

Available Platforms:

7IM, AllFunds, Ascentric, Aviva for Advisors, Embark, FNZ, Hargreaves Lansdown, Novia, Pershing, Platform Securities, Raymond James, RBC, Rensburg, Succession, Transact, Fidelity, Old Mutual Wealth, Aegon Institutional

Share Class	AMC	OCF*	Min	Price
Class A	0.45%	0.70%	£3million	195.337982
Class A1	0.45%	0.70%	$5million	-
Class A2	0.25%	0.50%	£20million	-
Class A3	0.25%	0.50%	£20million	146.888087
Class B	0.75%	1.00%	£5,000	176.261745
Class B1	0.75%	1.00%	$7,500	164.511185
Class C	0.75%	1.00%	£5,000	183.987396

**Ongoing Charge Fee*
Full explanation of the Fund's charges can be found on the KIID and the Costs & Charges sheet

Top 10 Stock Holdings

Stock	Weight
Microsoft	3.86%
BP	3.73%
Keyence	3.48%
Toyota Motor	2.98%
Novo-Nordisk	2.79%
Roche	2.68%
United Parcel Service	2.49%
ASML	2.40%
Apple	2.35%
Pets at Home	2.12%
Cash	6.60%

Geographical Split

United States	35.35%
Europe	23.41%
United Kingdom	15.88%
Japan	14.40%
India	2.96%
Singapore	1.40%
Cash	6.60%

Sectors

Communication Services	3.60%
Consumer Discretionary	19.20%
Consumer Staples	4.55%
Energy	3.73%
Financials	7.73%
Healthcare	13.02%
Industrials	16.39%
Materials	6.02%
Technology	19.16%
Utilities	0.00%
Cash	6.60%

Monthly Performance Data – Class A GBP

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2017	1.83%	3.16%	0.96%	-1.35%	5.19%	-1.18%	3.36%	3.97%	-2.29%	2.66%	0.39%	1.12%
2018	1.29%	1.17%	-3.96%	2.87%	4.95%	-0.07%	1.07%	3.13%	0.03%	-7.61%	1.36%	-4.90%
2019	3.79%	2.40%	3.61%	2.88%	-1.43%	5.33%	5.12%	-1.75%	1.15%	-2.29%	3.84%	0.98%
2020	-2.51%	-5.19%	-5.70%	7.56%	8.11%	2.63%	0.48%	3.82%	2.05%	-2.68%	6.76%	2.22%
2021	-1.16%	-1.84%	2.60%	4.45%	0.01%	3.74%	2.10%	3.27%	-2.37%			

Commentary – September 2021

September was a more difficult month for global equities. After a stellar performance year to date, the S&P 500 retreated, giving back just under 5% of its gains but remains higher by a more than healthy 16% so far this year. In contrast, the Japanese market enjoyed a strong rally in September, rising by 5.4%, but still lagging the performance of the US market by just under 10% since the start of the year, albeit the gap between the two markets has closed from over 20% as recently as the middle of August.

Overall, the global benchmark fell by 2.1% over the month and the Vermeer Global Fund performed broadly in line. This was disappointing given the outperformance of the Japanese market we had anticipated finally occurring in September.

Over the month, the top five contributors to return were BP, Sony, Toyota Motor, JP Morgan and Davide Campari. The top five detractors to return were ASML, Varta, Rational, Roche and Microsoft.

Nike gave a sobering update on the current state of supply chains at its most recent quarterly results. Although demand for the brand remains at exceptionally high levels, factory shutdowns in Vietnam and extended supply chain disruptions led the company to reduce its full year guidance. Management commented that these supply chain issues first highlighted earlier in the year have continued to deteriorate, with in-transit times between US and Asian ports doubling to 80 days. These factors have led to lack of inventory in the right places at the right times, and despite the company shifting to sell as much product through its own retail network and DTC channels along with high levels of full price sell through, this is not enough to offset these issues in the short term. We remain confident in the underlying strength of the brand and would be adding to our position on any continued weakness.

Oxford Instruments announced strong order intake and revenue growth over the first five months of the current financial year but highlighted that currency would have an adverse impact of 4% on revenue and 3% on PBT. The company is well on its way to achieving 20% operating margins as set out in its Horizon project to materially improve the financial performance of the business. End demand from medical, semiconductor, governments and academic institutions remain strong. World leading science in nano technology and a materially cheaper rating when compared to US peers leads us to the view that the company remains a highly attractive long-term investment.

We have edged cash up to around 7% in the short term. Uncertainty surrounding the ongoing geopolitical tension between the US and China and the highly probable turmoil caused by Washington policy makers apparent determination to take every crucial decision to the brink of disaster have given us reason to worry. In addition to these concerns is the upcoming US results reason, which may prove to be choppier than usual as the impacts of the global supply chain disruption and wage inflation could lead to the downgrading of some company expectations.

We are continuing to look for an opportunity to add to our already overweight position in Japan. As well as this, we may add to existing positions elsewhere in the portfolio where supply chain issues have crimped short term profitability but are not, in our view, likely to impact the long-term investment case.

Disclaimer: Further information about Vermeer UCITS ICAV including the current Prospectus and Key Investment Information Documents ("KIIDs") can be found at www.vermeer.london.

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