



**Portfolio Review:**

The Mundoval Fund returned 0.00% in the first quarter versus -1.28% for the MSCI World Index during the same period. Since inception date of the fund on September 3, 2004, the average annualized rate of return for the Mundoval Fund has been 6.71% versus 7.31% for the MSCI World Index.

Positive factors impacting performance for the Fund during the quarter included the Financial Sector (Banco do Brasil), Consumer Discretionary Sector (Estee Lauder) and Information Technology Sector (Mastercard). Negative factors impacting performance during the quarter included the Consumer Discretionary Sector (Grupo Televisa) and the Financial Sector (Citigroup and American International Group).

During the quarter the Fund acquired shares of Japanese telecom and cable business, **KDDI Corporation**, and British Household Products manufacturer, **Reckitt Benckiser**. The geographic diversification of the Fund as of March 31, 2018 consisted of 56.96% Domestic stocks, 37.81% International stocks and 5.23% cash equivalents. The Fund owned shares of common stock in 37 companies as of March 31, 2018.

**Manager Commentary:**

Although the first quarter began with investor optimism driving stock market averages to record highs, concerns about inflation, rising interest rates, the threat of a trade war with China and potential regulatory actions against technology companies caused most major stock market indices to decline by the end of the quarter. Despite the shaky start to 2018, 85% of the companies in the S&P 500 Index reported earnings in the first quarter that exceeded analyst expectations, many of which reported double digit rates of growth from the preceding year.

The Consumer Discretionary and Information Technology sectors were two of the better performing sectors during the quarter. Mundoval Fund holdings, Mastercard and Estee Lauder, provided meaningful performance accordingly. The Brazilian stock market continued to be one of the better performing indices worldwide during the quarter and shares of Brazilian bank, Banco do Brasil, reflected the positive gains.

Despite investor concerns about the recent volatility associated with inflation and interest rate increases by the Federal Reserve, it is important for investors to remember that share prices of common stocks over time will reflect the underlying economic performance of the businesses they represent. The Mundoval Fund will continue to purchase, at rational prices, shares of common stock in high quality businesses that we understand, operated by competent and honest management, and whose earnings are likely to be materially greater five to ten years from now.

Thank you for your business and continued support.  
Sincerely,

Arthur Q. Johnson, CFA  
Portfolio Manager

**Average Annualized Total Returns as of March 31, 2018**

	1Q 2018 (Non-Annualized)	1-Year	3-Year	5-Year	7-Year	10 Year	Since Inception (9/3/04)
<b>Mundoval Fund</b>	0.00%	11.51%	6.05%	8.09%	7.79%	5.30%	6.71%
<b>MSCI World Index</b>	-1.28%	13.59%	7.96%	9.70%	8.64%	5.90%	7.31%

*Performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. All returns include change in share prices, and reinvestment of any dividends and capital gains distributions. Current performance may be lower or higher than the performance data quoted. Indices shown are broad-based, unmanaged indices commonly used to measure performance of U.S. and world stocks. These indices do not incur expenses and are not available for investment. You may obtain performance data current to the most recent month-end by calling the transfer agent at 1-877-59-FUNDS. The Fund's total expense ratio is 1.53%. You should consider the investment objectives, risks, and charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the Fund. You may obtain a prospectus by calling 1-877-59-FUNDS. The prospectus should be read carefully before investing.*