


Portfolio Review:

The Mundoval Fund returned 2.21% in the second quarter versus 1.73% for the MSCI World Index during the same period. Since inception date of the Fund on September 3, 2004, through June 30, 2018, the average annualized rate of return for the Mundoval Fund has been 6.76% versus 7.31% for the MSCI World Index.

Positive factors impacting performance for the Fund during the quarter included the Consumer Discretionary Sector (Discovery, Inc., Twenty First Century Fox and Nike) and the Energy Sector (Valero Energy). Negative factors impacting performance for the Fund during the quarter included the Financial Sector (BNP Paribas & Banco do Brasil) and the Energy Sector (Inpex Corporation).

During the quarter shares of Michelin Compagnie were sold in order to provide liquidity to purchase additional shares of existing holdings in the Fund. The geographic diversification of the Fund as of June 30, 2018 consisted of 62.20% domestic stocks, 36.85% international stocks and 0.95% cash equivalents. The Fund owned shares of common stock in 35 companies as of June 30, 2018.

Manager Commentary:

The yield on the benchmark 10 year U.S. Treasury note rose for a fourth consecutive quarter, briefly peaking above 3% until concerns about trade tariffs and slower global growth led investors to invest in the safety of US government bonds. The Federal Reserve is on pace to raise interest rates four times in 2018 and investors seem to be maintaining a cautious outlook as they adjust to the increases in the long term cost of capital.

The real standout in the capital markets during the second quarter was the technology based NASDAQ Composite Index, which logged a 6.33% rate of return during the quarter. Shares of technology companies like Alphabet and Apple have been the primary drivers of investment performance in the S&P 500 Index year to date. Without tech stocks, the stock market averages in the U.S. would be mostly flat for the year. The price of crude oil has increased by more than 20% since the beginning of the year and has positively impacted the share prices of many energy sector stocks.

The Mundoval Fund benefitted during the quarter from its holding in shares of Twenty First Century Fox, which is currently being pursued by two potential suitors, Walt Disney Company and Comcast Corp. Recently, both companies have increased their respective offers to purchase the global entertainment company. The Murdoch family, which has a controlling interest in shares of Twenty First Century Fox has expressed their preference to be acquired by Disney by stating in a recent news release that the Disney proposal, \$70 billion in cash & stock, is superior to that offered by Comcast.

Thank you for your business and continued support.

Sincerely,
 Arthur Q. Johnson, CFA
 Portfolio Manager

Average Annualized Total Returns as of June 30, 2018

	2Q 2018 (Non-Annualized)	1-Year	3-Year	5-Year	7-Year	10 Year	Since Inception (9/3/04)
Mundoval Fund	2.21%	12.69%	6.30%	7.77%	7.91%	6.01%	6.76%
MSCI World Index	1.73%	11.09%	8.47%	9.93%	8.84%	6.26%	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 1.54%. 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.