



Société d'investissement à capital variable (SICAV)

Semi-Annual Report and Unaudited Financial Statements
June 30, 2019

R.C.S. Luxembourg B202 249

Semi-Annual Report and Unaudited Financial Statements do not constitute an offer or invitation to subscribe or purchase shares. Subscriptions are valid only if made on the basis of the current Prospectus, accompanied by the key investor information document ("KIID") and the latest Annual Report and most recent Semi-Annual Report if published thereafter.

SMEAD FUNDS

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Organisation of the Fund

Registered office of the Fund

49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Board of Directors of the Fund

Cole Smead, CFA (Chairman)
Managing Director
1001 4th Avenue,
Suite 4305,
Seattle, WA 98154
USA

Steven LeMire
Chief Compliance Officer
Smead Capital Management, Inc.
1001 4th Avenue,
Suite 4305,
Seattle, WA 98154
USA

Antonio Thomas
Independent Director
24, rue Beaumont
L-1219 Luxembourg
Grand Duchy of Luxembourg

Management Company

Duff & Phelps (Luxembourg) Management Company
S.à.r.l.
Air Building
1, rue Jean Piret
L-2350 Luxembourg
Grand Duchy of Luxembourg

Depositary, Administrator* and Paying Agent*

State Street Bank Luxembourg S.C.A.
49, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Paying and Information Agent in Austria

Unicredit Bank Austria AG
Schottengasse 6-8
1010 Vienna
Austria

Information Agent in Germany

CACEIS Bank Deutschland GmbH
Lilienthalallee 34 - 36
80939 Munich
Germany

Investment Manager*

Smead Capital Management, Inc.
1001 4th Avenue,
Suite 4305,
Seattle, WA 98154
USA

Global Distributor*

Smead Capital Management (UK) Ltd.
5 New Street Square,
London EC4A 3TW,
United Kingdom

Independent Auditors

Ernst & Young S.A.
35E, avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Legal Adviser

Arendt & Medernach S.A.
41A, avenue J.F. Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

* These functions have been delegated by the Management Company.

General Information

Incorporation

Smead Funds (the "Fund") is a public limited company (*société anonyme*) incorporated on December 4, 2015 under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable*). The Fund is subject to Part I of the Luxembourg law of December 17, 2010 relating to undertakings for collective investment, as amended or supplemented from time to time.

The Fund is registered with the Luxembourg Trade and Companies Register under number B 202 249. The Articles of Incorporation have been published in the Mémorial C, Recueil des Sociétés et Associations of the Grand-Duchy of Luxembourg.

Communications and reports to shareholders

1. Periodic reports

The financial statements of the Fund are prepared in accordance with the Luxembourg GAAP.

Annual reports including Audited Financial Statements for the year ended December 31, unaudited semi-annual reports for the six months ended June 30 and the list of changes made to the composition of the securities portfolio are available to shareholders free of charges upon request from the Fund and/or the Management Company or from www.smeadcap.com.

Annual reports are available within four months of the financial year-end and semi-annual reports are available within two months of the end of the six-month period.

The Reference Currency of the Fund is USD.

2. Information to shareholders

a) Net asset value

The publication of the Net Asset Values takes place on the next Business Day after a Valuation Day. The Net Asset Value per Share of each Share Class is available from the Administrator during normal business hours and is published on www.smeadcap.com.

b) Subscription and redemption prices

The subscription and redemption prices of shares in each sub-fund, category or class of shares of the Fund are published daily at the Depositary Bank and from the banks ensuring of financial services.

c) Notifications to shareholders

Notices of all general meetings will be published in the Mémorial and a Luxembourg newspaper and sent to all registered shareholders by ordinary mail.

Investment Manager's Report

Dear Shareholders,

In what has been an extremely profitable year for US common stock ownership, the second quarter of 2019 treated us very well in the Smead US Value UCITS Fund - I ACC USD Share Class (the "Fund") (Bloomberg: SMVUSIU) posted a gain of 6.79%*, versus a gain in the S&P 500 NR Index of 4.15% and a gain of 3.65% for the Russell 1000 Value Net Index. For those of you who know us well, you won't be surprised that we think this quarter's advantage against the S&P 500 could be very representative of what the future might look like if value investing rears its ugly head in the competition against growth/momentum strategies.

For the first six months, our gain of 15.34% trailed the 18.18% gain of the S&P 500 NR Index and the Russell 1000 Value Net Index gain of 15.79%. The price of knowledge about the most exciting things in technology got very high in the first half of 2019. If you thought we would be disappointed by a gain of 15.56% because it doesn't exceed the S&P 500, you'd be wrong. The object of what we do is to create wealth.

Our largest attribution in the quarter came from NVR (NVR), American Express (AXP) and Disney (DIS). As interest rates fell during the quarter, investors renewed their affection for homebuilders like NVR. American Express has been discovered in the last year, after being very cheap due to their previous divorce from sainted Costco (COST) in 2015. Investors appear to have figured out that content is the most important thing in streaming and Disney took a big jump up in the quarter as a result.

On the downside, Walgreens (WBA) was the only significant detractor from our gains. It had a rough Q1 earnings report and the market punishes value stocks when they miss. It is also symptomatic of the lack of capital devoted to value. Amgen (AMGN) and Schlumberger (SLB) produced tiny losses and didn't interrupt our enthusiasm at these prices.

For six months, Target (TGT) can be added to NVR and American Express as our best gainers. Kroger (KR) joined Walgreens and Amgen on the decliners list for six months. We sold Kroger during the quarter. A lack of insider buying at Kroger turned us off when it fell on poor results. We like buying into despair, but we like the officers, directors and smart money shareholders to show interest at the lower prices. When they don't show up, we will take our lumps.

Our non-US investors should be encouraged by the current circumstances in the stock market. Historically low worldwide interest rates are causing some very poor choices by investors. Those with a healthy fear of risk should begin to think about what quality securities could defend capital and make good long-term returns.

Many tech and non-tech growth stocks are priced based on unending low interest rates, no inflation pressures in sight and trade at very high earnings multiples compared to their own histories. Our decades in the investment business teaches us that the only guarantee is that things will change. Our guess is that stocks viewed as non-cyclical will show their cyclical nature (tech) and cyclical businesses viewed as losers in a permanently low inflationary environment are the cheapest relative to the S&P 500 in 20 years. The energy sector of the S&P 500 is the smallest part of the index it has been in my 39 years in the investment business, as you can see below:

SMEAD FUNDS

Investment Manager's Report

Rejected

The energy sector's weight in the S&P 500 index has hit a historic low, despite the recovery in oil prices over the past two years

✓ Energy's weight in the S&P 500



Source: Bloomberg

We are adding names which have our eight criteria behind them and could be beneficiaries of a long-term improvement in the US economy, higher inflation and interest rates. We view residential property, banking and energy as areas which Americans trust as a hedge against inflation. Eighty-nine million baby boomers will begin to dominate the US economy over the next ten years and their sheer force could rearrange investor attitudes. Thank you for your capital commitment and trust in our discipline.

Warmest Regards,

William Smead
Lead Portfolio Manager

Tony Scherrer, CFA
Co-Portfolio Manager

Cole Smead, CFA
Co-Portfolio Manager

July 16, 2019

* I ACC USD Share Class performance includes impact of fees waived.

SMEAD FUNDS

Smead US Value UCITS Fund (in USD)

Statistics

		June 30, 2019	December 31, 2018	December 31, 2017
Net Asset Value	USD	101,543,767.46	93,953,780.11	94,757,820.77
Net asset value per share				
A Acc (USD)	USD	400.59	349.20	372.19
I Acc (EUR)	EUR	362.30	312.93	313.88
I Acc (GBP)	GBP	514.45	445.66	441.51
I Acc (USD)	USD	412.17	357.34	376.71
I Dis (GBP)	GBP	513.44	444.91	441.59
Number of shares				
A Acc (USD)		23,876	21,088	69
I Acc (EUR)		43,448	42,526	34,768
I Acc (GBP)		11,039	10,484	12,200
I Acc (USD)		158,156	180,230	194,741
I Dis (GBP)		2,508	1,805	1,641

The accompanying notes are an integral part of these financial statements.

SMEAD FUNDS

Smead US Value UCITS Fund (in USD)

Statement of Net Assets as at June 30, 2019

	Notes	USD
Assets		
Investment in securities at cost		76,737,896.38
Unrealised appreciation on securities		24,236,269.42
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Investment in securities at market value	3.2	100,974,165.80
Cash at bank		694,010.94
Formation expenses, net of amortization	3.3	83,028.41
Dividends and interest receivable		80,045.38
Receivable for investments sold		48,385.32
Receivable from Investment Manager		34,379.13
Receivable on subscription		310,013.51
<hr/>		
Total assets		102,224,028.49
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Liabilities		
Payable for investments purchased		393,756.44
Accrued expenses		286,504.59
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Total liabilities		680,261.03
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Net assets at the end of the period		101,543,767.46
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The accompanying notes are an integral part of these financial statements.

SMEAD FUNDS

Smead US Value UCITS Fund (in USD)

Statement of Operations and Changes in Net Assets For the period ending June 30, 2019

	Notes	USD
Income		
Dividends (net of withholding taxes)	3.5	655,786.93
Interests		1,104.92
Total income		656,891.85
Expenses		
Management fees	4	546,023.45
Administration fees		119,634.56
Professional fees		51,219.62
Depositary fees		21,351.69
Director fees	5	17,786.87
Taxation	6	6,724.98
Insurance fees		2,437.40
Transaction costs	8	1,462.41
Formation expenses amortised	3.3	25,044.97
Other expenses		21,345.33
Less: Fee waived	7	(207,165.57)
Total expenses		605,865.71
Net investment gain		51,026.14
Net realised appreciation / (depreciation) on:		
Investments	3.6	1,708,490.93
Foreign currencies transactions	3.1	(2,087.88)
Net realised gain for the period		1,706,403.05
Net change in unrealised appreciation / (depreciation) on:		
Investments	3.6	12,208,914.82
Currencies	3.1	(1.30)
Increase in net assets as a result of operations		13,966,342.71
Proceeds received on subscription of shares		4,876,325.55
Net amount paid on redemption of shares		(11,252,680.91)
Net assets at the beginning of the period		93,953,780.11
Net assets at the end of the period		101,543,767.46

The accompanying notes are an integral part of these financial statements.

SMEAD FUNDS

Smead US Value UCITS Fund (in USD)

Statement of Changes in Number of Shares

	Number of shares in issue at the beginning of the period	Number of shares subscribed	Number of shares redeemed	Number of shares in issue at the end of the period
A Acc (USD)	21,088	4,264	(1,476)	23,876
I Acc (EUR)	42,526	5,505	(4,583)	43,448
I Acc (GBP)	10,484	866	(311)	11,039
I Acc (USD)	180,230	381	(22,455)	158,156
I Dist (GBP)	1,805	703	-	2,508

The accompanying notes are an integral part of these financial statements.

SMEAD FUNDS

Smead US Value UCITS Fund (in USD)

Securities Portfolio as at June 30, 2019

Quantity	Name	Currency	Market Value in USD	% NAV
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Transferable securities admitted to an official exchange listing

Equities

United States

15,842	ACCENTURE PLC-CL A	USD	2,927,126.34	2.88
87,429	AFLAC INC	USD	4,791,983.49	4.72
51,764	AMERICAN EXPRESS CO	USD	6,389,748.16	6.29
25,012	AMERISOURCEBERGEN CORP	USD	2,132,523.12	2.10
30,699	AMGEN INC	USD	5,657,211.72	5.57
144,500	BANK OF AMERICA CORP	USD	4,190,500.00	4.13
18,525	BERKSHIRE HATHAWAY INC-CL B	USD	3,948,974.25	3.89
557	BOOKING HOLDINGS INC	USD	1,044,213.47	1.03
76,288	COMCAST CORP-SPECIAL-CL A	USD	3,225,456.64	3.18
6,364	CUMMINS INC	USD	1,090,407.76	1.07
216,453	DISCOVERY COMMUNICATIONS-CL A	USD	6,645,107.10	6.54
72,927	EBAY INC	USD	2,880,616.50	2.84
20,590	HOME DEPOT INC	USD	4,282,102.30	4.22
12,422	JOHNSON & JOHNSON	USD	1,730,136.16	1.70
39,590	JPMORGAN CHASE & CO	USD	4,436,224.00	4.37
71,296	LENNAR CORP A	USD	3,455,004.16	3.40
45,226	MERCK & CO INC	USD	3,792,200.10	3.73
2,152	NVR INC	USD	7,252,778.00	7.14
40,200	OCCIDENTAL PETROLEUM CORP	USD	2,021,256.00	1.99
11,210	PAYPAL HOLDINGS INC	USD	1,283,096.60	1.26
74,243	PFIZER INC	USD	3,216,206.76	3.17
36,542	QUALCOMM INC	USD	2,779,749.94	2.74
46,129	SCHLUMBERGER LTD	USD	1,833,166.46	1.81
14,395	STARBUCKS CORP	USD	1,206,732.85	1.19
64,466	TARGET CORP	USD	5,583,400.26	5.50
68,670	WALGREENS BOOTS ALLIANCE INC	USD	3,754,188.90	3.70
31,451	WALT DISNEY CO	USD	4,391,817.64	4.33
67,998	WELLS FARGO & CO	USD	3,217,665.36	3.16
			99,159,594.04	97.65

Money Market Funds

United States

1,814,572	STATE STREET GLOBAL ADVISORS – US LIQUIDITY FUND	USD	1,814,571.76	1.79
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Total securities portfolio			100,974,165.80	99.44
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Summary of net assets

	%
	NAV
Total securities portfolio	100,974,165.80
Cash at bank	694,010.94
Other assets and liabilities	(124,409.28)
Total net assets	100,543,767.46
	100.00

The accompanying notes are an integral part of these financial statements.

SMEAD FUNDS

Smead US Value UCITS Fund (in USD)

Portfolio Breakdowns

Nature allocation	% of portfolio	% of net assets
Equities	98.20	97.65
Money Market Funds	1.80	1.79
	100.00	99.44

Country allocation	% of portfolio	% of net assets
United States	100.00	99.44
	100.00	99.44

Top Ten Holdings

Top Ten Holdings	Sector	Market Value USD	% of net assets
NVR INC	Consumer Discretionary	7,252,778.00	7.14
DISCOVERY COMMUNICATIONS-CL A	Consumer Discretionary	6,645,107.10	6.54
AMERICAN EXPRESS CO	Financials	6,389,748.16	6.29
AMGEN INC	Health Care	5,657,211.72	5.57
TARGET CORP	Consumer Discretionary	5,583,400.26	5.50
AFLAC INC	Financials	4,791,983.49	4.72
JPMORGAN CHASE & CO	Financials	4,436,224.00	4.37
WALT DISNEY CO	Communication Services	4,391,817.64	4.33
HOME DEPOT INC	Consumer Discretionary	4,282,102.30	4.22
BANK OF AMERICA CORP	Financials	4,190,500.00	4.13

The accompanying notes are an integral part of these financial statements.

SMEAD FUNDS

Notes to the Financial Statements as at June 30, 2019

1. Organisation

Smead Funds (the “Fund”) is a public limited company (*société anonyme*) incorporated on December 4, 2015 under the laws of the Grand Duchy of Luxembourg as an investment company with variable share capital (*société d'investissement à capital variable*). The Fund is subject to Part I of the Luxembourg law of December 17, 2010, relating to undertakings for collective investment, as amended or supplemented from time to time.

The Fund is registered with the Luxembourg Trade and Companies Register under number B202 249. The Articles of Incorporation have been published in the Mémorial C, Recueil des Sociétés et Associations of the Grand-Duchy of Luxembourg.

The Fund is organised as an umbrella structure. At June 30, 2019, the Fund offered shares in one Sub-Fund (the “Sub-Fund”), as shown below:

Sub-Fund	Launch date	Base Currency
Smead US Value UCITS Fund (the “Sub-Fund”)	February 22, 2016	United States dollar (“USD”)

The objective of the Sub-Fund is to provide investors with long-term capital appreciation.

2. Shares of the Fund

The Sub-Fund may comprise distributing Shares (Distribution Shares) and non-distributing Shares (Accumulation Shares). Distribution Shares and Accumulation Shares issued within the same Sub-Fund are represented by different Share Classes.

Certain Shares Classes are reserved to specified categories of investors such as Institutional Investors, investors investing through a specified distribution channel or investors who are residents of or domiciled in specific jurisdictions.

In particular, the Sub-Fund may offer Currency Hedged Share Classes. The Fund may use various techniques and instruments, such as forward contracts and currency swaps, in accordance with the provisions of the Prospectus, intended to limit the impact of exchange rate movements between the Reference Currency of the Sub-Fund and that of a Currency Hedged Share Class on the performance of such Share Class. The costs and any benefit of currency hedging transactions will be allocated solely to the Currency Hedged Share Class to which the hedging relates.

As at June 30, 2019, Shares in the Sub-Fund are offered for subscription in the form of Class A and Class I Shares (exclusively reserved for Institutional Investors).

As at June 30, 2019, the following Share classes are active:

Sub-Fund	Sub-Fund Base Currency	Class of Shares / Currency	Launch Date
Smead US Value UCITS Fund	USD	Class I Acc (EUR)	February 22, 2016
		Class I Acc (GBP)	February 22, 2016
		Class I Acc (USD)	February 22, 2016
		Class I Dis (GBP)	April 26, 2016
		Class A Acc (USD)	November 18, 2016

Notes to the Financial Statements as at June 30, 2019 (continued)

3. Significant Accounting Policies

The financial statements of the Fund are prepared and presented in accordance with Luxembourg legal and regulatory requirements relating to Undertakings for Collective Investment as described by Luxembourg authorities for Luxembourg investment funds. They are prepared in accordance with accounting policies generally accepted in Luxembourg.

3.1 Currency conversion

The accounts of the Sub-Fund are kept in United States Dollars and the financial statements are expressed in the same currency. The acquisition cost of securities purchased in a currency other than United States Dollars is converted into the currency of the Sub-Fund on the basis of the exchange rates prevailing on the date on which the securities are acquired.

Income and expenses denominated in a currency other than United States Dollars are converted into the currency of the Sub-Fund on the basis of the exchange rates prevailing on the transaction date. At the closing date of the financial period, the security valuations (determined as described below), receivables, bank deposits and debts denominated in a currency other than that of the sub-fund are converted into United States Dollars on the basis of the exchange rates prevailing at that date; the foreign exchange differences resulting from the conversion of receivables, bank deposits and debts are included in the net realised gain/loss on foreign exchange transactions in the Statement of Operations and Changes in Net Assets for the financial period.

3.2 Valuation of investments

Transferable Securities and Money Market Instruments which are quoted, listed or traded on an exchange or regulated market are valued at the last available market price or quotation, prior to the time of valuation, on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors determines on which exchange or regulated market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or regulated market will be used for the purpose of their valuation.

Transferable Securities and Money Market Instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market, are valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.

3.3 Formation expenses

Formation expenses are amortised on a linear basis over a five-year period.

3.4 Transactions on investments in securities

Purchases and sales of financial investments in securities are recognised using trade date plus one accounting basis.

3.5 Income and expenses

Dividends are recorded on ex-date. Dividends are recorded net of any non-recoverable withholding tax.

Operating expenses are recognised on an accrual basis.

3.6 Net realised gains/losses on sales of investments

Gains and losses realised on the sale of securities are determined on the basis of the average acquisition cost.

Notes to the Financial Statements as at June 30, 2019 (continued)

4. Management fees

The Management Company and the Investment Manager are each entitled to a part of the Management Fee. The Management Fee is calculated daily as a percentage of the average Net Asset Value of the Share Class and paid out of the assets of the Sub-Fund and Share Class. The Management Fee will accrue on each Valuation Day and will be payable monthly in arrears at the maximum rate of 1.85% for A Share Class and 1.05% for I Share Classes. The Management Company is also entitled to reimbursement of reasonable out-of-pocket expenses properly incurred in carrying out its duties. Extraordinary expenses which are incurred by the Management Company as a result of special assignments from the Fund or of events outside of the ordinary course of business can be charged separately provided these expenses have been notified and agreed by the Fund in advance except where contrary to applicable law or regulations.

5. Director fees

The members of the Board of Directors are entitled to receive a fee in consideration for their function. However, members of the Board of Directors who are also directors, officers or employees of the Investment Manager or its affiliates will not receive any fees as directors of the Fund.

During the period ended June 30, 2019 the Fund paid to Mr Antonio Thomas a remuneration of EUR 25,000 (USD 28,470) on a gross annual basis out of the assets of the Fund:

- Cash in an aggregate amount of EUR 10,000 (EUR 8,000 as net amount); and
- Shares of the Fund in an aggregate amount of EUR 15,000 (EUR 12,000 as net amount), consisting in 33 shares of the Smead US Value UCITS Fund – A Acc (USD).

On May 03, 2019, Mr, Antonio redeemed 73 of the 106 shares he held in Smead US Value UCITS Fund - A Acc (USD) at a value of USD 28,741.

As at June 30, 2019, the total number of shares held by Mr Antonio in Smead US Value UCITS Fund – A Acc (USD) was 33 shares, with a total value of USD 13,362.

6. Taxation

Under Luxembourg law, the Fund is liable in Luxembourg for a subscription tax (taxe d'abonnement) of 0.05% per annum of its net assets, such tax being payable quarterly and calculated on the Net Asset Value of the respective Share Class at the end of the relevant quarter. A reduced tax rate of 0.01% per annum of the net assets will be applicable to Share Classes which are only sold to and held by Institutional Investors. Such tax is payable quarterly and calculated on the net assets of such Share Class at the end of the relevant quarter.

Dividends, interest and capital gains on securities issued in certain countries may be subject to non-recoverable withholding or capital gain taxes imposed by such countries. Withholding tax, deducted in certain countries, may not be refundable in certain instances.

7. Cap on fees and expenses

The fees and expenses are capped to a maximum annual percentage of the Net Asset Value as per an agreement with the Investment Manager.

Maximum annual percentages applicable as at June 30, 2019 were as follows:

Share Class	Maximum annual %
A Acc (USD)	2.25%
I Acc (EUR)	1.15%
I Acc (GBP)	1.15%
I Acc (USD)	1.15%
I Dist (GBP)	1.15%

Notes to the Financial Statements as at June 30, 2019 (continued)

8. Transaction costs

For the period ended June 30, 2019, the Sub-Fund incurred transaction costs for 14,378 USD, which have been defined as brokerage fees, certain taxes and certain depositary fees relating to the purchase and sale of transferable securities, money market instruments or other eligible assets. Of these transaction costs, 9,585 USD were soft dollar commissions that paid for research and execution systems. All these costs are included in the Statement of Operations and Changes in Net Assets as Net change in unrealised appreciation / (depreciation) on Investments and Net realised loss on Investments.

9. Exchange Rates

The exchange rates used in the conversion of the Fund's assets or liabilities denominated in other currencies than United States Dollar are the following:

1 USD = 0.878117 EUR

1 USD = 0.785731 GBP

10. Changes in the composition of the portfolio and latest Prospectus

The report on changes in the composition of the portfolio of the sub-fund and latest Prospectus is available upon request and free of charge at the registered office of the Fund.

11. Subsequent Events

There were no material events which occurred after the end of the financial period, which would have a bearing on the understanding of the financial statements.

Additional Information

Portfolio Turnover Rate (PTR)

The PTR has the regulatory intention to provide investors with an indicator of the impact of trading costs within a given fund.

If the PTR of the Fund is next to zero, it means that the transactions were made in order to invest funds or sell assets received from unit subscription or redemptions. A negative PTR indicates that the total of the subscriptions and the redemptions exceeded the value of the security transactions of the portfolio. A positive PTR indicates that the value of the security transactions exceeded that of the Fund unit transactions.

The formula used to calculate the PTR is:

$$\frac{(\text{Purchase of securities} + \text{Sales of securities}) - (\text{investor subscriptions} + \text{Redemptions})}{(\text{Average Fund Value during the period})} * 100$$

The portfolio turnover rate for the period ended June 30, 2019 was 27.33%.

Risk Management

The global exposure of the Smead Fund is monitored via daily Commitment approach.

Securities Financing Transaction Regulation

Securities Financing Transaction Regulation ("SFTR") introduces reporting requirements for securities financing transactions ("SFTs") and total return swaps.

A Security Financing Transaction ("SFT") is defined as per Article 3 (11) of the SFTR as:

- a repurchase/reverse repurchase agreement,
- securities or commodities lending and securities or commodities borrowing,
- a buy-sell back transaction or sell-buy back transaction, or
- a margin lending transaction.

Smead Fund did not hold any total return swaps or enter in security financing transactions during the period ended June 30, 2019.