



# Quarterly Review

Class	Ticker	CUSIP
A	IVIOX	45070A305
C	IVICX	45070A602
I	IVIQX	45070A404

**Past performance does not guarantee future results.** The performance data quoted represents past performance and current returns may be lower or higher. Returns are shown net of fees and expenses and assume reinvestment of dividends and other income. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, please call (866) 941-4482.

## Investment Risks

*There are risks associated with investing in funds that invest in securities of foreign countries, such as erratic market conditions, economic and political instability and fluctuations in currency exchange rates. Value-based investments are subject to the risk that the broad market may not recognize their intrinsic value.*

*Effective February 22, 2011, this fund is closed to new investors.*

The IVA International Fund Class A (NAV) ("the Fund") ended the quarter on June 30, 2017 with a return of 3.76% versus the MSCI All Country World Index (ex-U.S.) (Net) ("Index") return of 5.78%, bringing YTD performance to 10.27% versus the Index return of 14.10% for the same period.

Global markets continued to rise this quarter and volatility remained low. The only notable exception came at the end of the quarter when remarks by the European Central Bank and the Bank of England signaled an eventual end to quantitative easing. This, along with recent interest rate rises in the U.S. and "hawkish" statements by the U.S. Federal Reserve, served as a reminder to markets that the historically accommodative monetary policy buoying global equities may not last forever.

Performance was diluted by the Fund's elevated cash position this quarter. However, our equities outperformed, up 6.4%, compared to those in the Index\* which were up 5.8%. This was led by our names in Continental Europe, Hong Kong and South Korea, which contributed a total of 3.2% to performance. A few top 10 names that contributed the most in these regions were Nestle S.A. (Switzerland, Consumer Staples), Bureau Veritas (France, Industrials) and Samsung (South Korea, Technology). Our names in South Africa and Thailand detracted a total of -0.2%. Bermuda and China each detracted -0.01%. Astellas Pharma (Japan, Healthcare) was the largest detractor in the Fund this quarter, taking away -0.3%. Like most other pharma companies, Astellas is facing the challenge of multiple patents expiring within the next 2-3 years. However, we still believe this is a great company that trades at a discount to our intrinsic value estimate.

Fixed income contributed 0.1% to performance this quarter. Our fixed income exposure decreased from 3.3% to 3.1% over the quarter. Our currency hedges detracted -0.02%. Our hedges were unchanged this quarter, remaining at: 40% Australian dollar; 10% euro; 35% Japanese yen; 30% Korean won.

Gold was down -0.5% this quarter and detracted -0.03% from performance. As of June 30, our gold exposure was 6.8%. We continue to believe that gold acts as a prudent hedge in our portfolio against unforeseen extreme market events.

As markets rose this quarter, on top of already stretched valuations, it remained difficult to find undervalued securities. We initiated a new position in Europe, but at the same time trimmed names in multiple regions as prices approached our intrinsic value estimates. Our equity exposure decreased from 61.4% to 60.2% and cash increased from 28.4% to 29.8%.

The elevated cash level of our portfolio is the consequence of the very elevated valuations (and the resulting dearth of genuine bargains) of most financial assets worldwide. Our willingness to hold cash during periods in which we believe that global assets are overvalued is crucial to our investment approach, not only in our efforts to preserve our clients' capital but to supply us with dry powder when genuine bargains surface.

We appreciate and thank you for your continued support.

\* Excludes gold mining stocks

## Performance Information (as of June 30, 2017)

Class	Average Annual Total Returns					
	3 Months	YTD	1 Year	3 Year	5 Year	Since Inception**
A (NAV)	3.76%	10.27%	12.03%	3.46%	7.60%	8.60%
A (with load)	-1.42%	4.76%	6.41%	1.71%	6.49%	7.97%
C	3.58%	9.92%	11.19%	2.69%	6.81%	7.79%
I	3.87%	10.46%	12.35%	3.74%	7.88%	8.88%
MSCI All Country World Index (ex-U.S.) (Net)	5.78%	14.10%	20.45%	0.80%	7.22%	5.02%

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Maximum sales charge for the A shares is 5.00%. C shares include a 1% CDSC Fee for the first year only. The expense ratios for the fund are as follows: 1.24% (A Shares); 1.99% (C Shares); 0.99% (I Shares).

As of June 30, 2017, the IVA International Fundâ€™s top 10 holdings were: Gold Bullion (6.7%); Astellas Pharma, Inc. (3.5%); Bureau Veritas SA (3.2%); Nestle SA (2.7%); Alten SA (2.1%); Samsung Electronics Co., Ltd. (1.7%); Airbus Group SE (1.7%); Antofagasta plc (1.7%); News Corporation Class A; Class B (1.5%); Bolloré SA (1.5%).

**MSCI All Country World Index (ex U.S.) (Net)** is an unmanaged index consisting of 45 country indices comprised of 22 developed and 23 emerging market country indices and is calculated with dividends reinvested after deduction of withholding tax. The Index is a trademark of MSCI Inc. and is not available for direct investment.

The views expressed in this document reflect those of the portfolio manager(s) only through the end of the period as stated on the cover and do not necessarily represent the views of IVA or any other person in the IVA organization. Any such views are subject to change at any time based upon market or other conditions and IVA disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for an IVA fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any IVA fund. The securities mentioned are not necessarily holdings invested in by the portfolio manager(s) or IVA. References to specific company securities should not be construed as recommendations or investment advice.

**An investor should read and consider the funds' investment objectives, risks, charges and expenses carefully before investing. This and other important information are detailed in our prospectus and summary prospectus, which can be obtained by calling 1-866-941-4482 or visiting [www.ivafunds.com](http://www.ivafunds.com). Please read the prospectus and summary prospectus carefully before you invest.** The IVA Funds are offered by IVA Funds Distributors, LLC.



International Value Advisers, LLC  
717 Fifth Avenue, 10th Floor  
New York, NY 10022  
877.874.2999