

BBH Select Series – Mid Cap Fund

Monthly Fund Update / July 2022

The BBH Select Series – Mid Cap Fund (“the Fund”) gained by 11.65% in July 2022, compared to a gain of 9.87% for the Russell Midcap Index. The Fund’s top contributor was Advanced Drainage Systems, and the largest detractor was Mercury Systems.

Advanced Drainage Systems (“Advanced Drainage”) rose 31.7% in July, aided by the sustained deflation in plastic resin prices as North American supply continues to normalize after the effects of the 2021 Texas ice storm. The price of high-density polyethylene (HDPE) was flat month-over-month in July and has declined -7.5% from its peak in 2021. The price of polypropylene also declined, down -8.7% sequentially in July and down -30.0% from its peak in 2021. In contrast, the price of plastic pipe was flat sequentially in July but has increased 26.2% year-over-year. This juxtaposition demonstrates Advanced Drainage’s extraordinary pricing power that has helped it successfully navigate the current inflationary environment. The margin guidance provided by their management team does not include any incremental price-cost benefit from resin price deflation, so there is considerable upside to consensus estimates if current resin pricing trends continue.

Mercury Systems (“Mercury”) declined by -8.3% in July due to continued supply chain challenges plaguing the Defense industry and the accompanying negative impact to Mercury’s cash flow generation. Raytheon Technologies and Lockheed Martin, both defense industry leaders and Mercury customers, reported earnings in July. They noted that supply chain issues remain pervasive amid ongoing struggles to procure materials and recruit labor with security clearances. Mercury previously projected strong calendar Q2 revenue growth, so these industry issues have increased concerns on meeting that guidance. In addition, these delays caused the stockpiling of additional inventory and delayed progress payment receipts. However, Raytheon noted they are aiming to remedy these issues by working directly with 330 suppliers over the remainder of 2022. There is also increased visibility to a multi-year period of growth for the Defense industry which will benefit Mercury.

Performance								
Total Returns				Average Annual Total Returns				
As of 07/31/2022	1 Mo.*	3 Mo.*	YTD*	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
BBH Select Series – Mid Cap Fund (Class I)	11.65%	0.86%	-17.27%	-10.06%	N/A	N/A	N/A	-5.17%
Russell Midcap Index	9.87%	-1.02%	-13.83%	-9.83%	N/A	N/A	N/A	-5.87%
As of 06/30/2022	1 Mo.*	3 Mo.*	YTD*	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception*
BBH Select Series – Mid Cap Fund (Class I)	-8.29%	-18.11%	-25.90%	-17.79%	N/A	N/A	N/A	-14.55%
Russell Midcap Index	-9.98%	-16.85%	-21.57%	-17.30%	N/A	N/A	N/A	-13.99%

Class I: Net / Gross Expense Ratio (%) 0.90 / 2.46

All performance is net of fees
Sources: BBH & Co. and Russell

* Returns are not annualized.

Brown Brothers Harriman & Co., through a separately identifiable department (“Investment Advisor”) has contractually agreed to limit the Total Annual Fund Operating Expenses excluding certain expenses to 0.90% through March 1, 2023. Total Annual Fund Operating Expenses are based on estimated amounts for the current fiscal year.

Performance data quoted represents past performance. Past performance does not guarantee future results, and current performance may be lower or higher than the past performance data quoted. The investment return and principal value will fluctuate and shares, when sold, may be worth more or less than the original cost. For performance current to the most recent month-end please call 1-800-625-5759. Shares redeemed within 30 days of purchase are subject to a redemption fee of 2%.

The Russell Midcap Index is a market capitalization-weighted index comprised of approximately 800 publicly traded U.S. companies with market caps of between \$1 and \$66 billion. The index is not available for direct investment. The composition of the index is materially different than the Fund’s holdings.

BBH Fund Information Service: (800) 625-5759

Share Class Overview As of July 31, 2022				
	Ticker	Inception Date	Total Net Assets (mil)	NAV
Class I	BBMIX	05/24/2021	\$12.8	\$9.39

Equity Weighting As of July 31, 2022		Sector Weighting As of July 31, 2022		Top 10 Companies As of July 31, 2022	
Common Stock	97.4%	Communication Services	4.2%	Charles River Laboratories International Inc	6.3%
Cash & Cash Equivalents	2.6%	Consumer Discretionary	10.0%	Crown Holdings Inc	6.2%
Total	100.0%	Consumer Staples	0.0%	Entegris Inc	6.0%
		Energy	0.0%	Watsco Inc	5.9%
		Financials	13.7%	AMN Healthcare Services Inc	5.9%
		Health Care	14.0%	Brown & Brown Inc	5.6%
		Industrials	24.2%	Advanced Drainage Systems Inc	5.4%
		Information Technology	20.8%	NVR Inc	4.5%
		Materials	13.1%	Take-Two Interactive Software Inc	4.1%
		Real Estate	0.0%	Guidewire Software Inc	4.0%
		Utilities	0.0%	Total	54.0%
		Total	100.0%	Reported as a percentage of total portfolio.	
		Reported as a percentage of portfolio securities, excluding Cash and Cash Equivalents.			

Fund Facts As of July 31, 2022	
Number of Securities Held	25
Average P/E	22.5
Average Market Cap (bil)	\$13.0
Turnover (Rolling 12 Months)	21.19%
Excludes cash equivalents.	

Portfolio holdings and characteristics are subject to change. Totals may not sum due to rounding.

Opinions, forecasts, and discussions about investment strategies represent the author's views as of the date of this commentary and are subject to change without notice. References to specific securities, asset classes, and financial markets are for illustrative purposes only and are not intended to be and should not be interpreted as recommendations.

Purchase and sale information provided should not be considered as a recommendation to purchase or sell a particular security and that there is no assurance, as of the date of publication, that the securities purchased remain in a fund's portfolio or that securities sold have not been repurchased.

RISKS

Investors in the Fund should be able to withstand short-term fluctuations in the equity markets and fixed income markets in return for potentially higher returns over the long term. The value of portfolios changes every day and can be affected by changes in interest rates, general market conditions and other political, social and economic developments.

The Fund is 'non-diversified' and may assume large positions in a small number of issuers which can increase the potential for greater price fluctuation.

Foreign investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

Investing in small or medium sized companies typically exhibit greater risk and higher volatility than larger, more established companies.

Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. In addition, the prices of securities sold in IPOs may be highly volatile or may decline shortly after the IPO. Asset allocation decisions by a large investor or an investment adviser, particularly large redemptions, may adversely impact remaining Fund shareholders.

For more complete information, visit www.bbhffunds.com for a prospectus. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus, which you should read carefully before investing.

Shares of the Fund are distributed by ALPS Distributors, Inc. and is located at 1290 Broadway, Suite 1000, Denver, CO 80203.

Brown Brothers Harriman & Co. ("BBH"), a New York limited partnership, was founded in 1818 and provides investment advice to registered mutual funds through a separately identifiable department (the "SID"). The SID is registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940.

Not FDIC Insured

No Bank Guarantee

May Lose Money