

BBH Intermediate Municipal Bond Fund

Monthly Fund Update / December 2018

BBH Intermediate Municipal Bond Fund Class I ("the Fund") had a total return of 1.16% in December, compared to the return of 1.11% for the benchmark Bloomberg Barclays 1-15 Year Municipal Index. For 2018 as a whole, the Fund had a total return of 1.84%, compared to a 1.58% return for the benchmark.

Volatility returned to financial markets with a vengeance in December, as fears over a global economic slowdown and mixed messages from both the Federal Reserve and the Treasury Department put strong downward pressure on U.S. equities and prompted a "risk off" trend in fixed income markets. While Treasury bonds benefited most from this flight to quality, Municipals also performed strongly.

We are pleased to note that the Fund experienced continued inflows in December, and trading activity was focused on investing these flows, as well as shifting from high quality reserve securities into higher yielding credit opportunities. Overall, we rotated approximately 8% of the Fund from reserves into long-term investments in subsectors such as Prepaid Natural Gas securities in Kentucky and Texas, State Housing Authority bonds in Minnesota and Ohio, as well as a zero-coupon School District bond in Oregon, and a high-quality Tobacco Settlement bond, "Railsplitter".

The late-year Municipal market strength surprised us. Consistent outflows from tax-exempt bond funds and heavy bank selling during the quarter makes us question the sustainability of the recent rally. In contrast, what remained true to form was our ability to identify credit opportunities amidst all the redemption activity. After staying resilient all year while taxable credit sectors gyrated, Municipal credit weakened and provided opportunities for which we had been patiently waiting.

We look forward to the new year and would like to thank you for your trust and confidence in us.

Performance

As of 12/31/2018	Total Returns			Average Annual Total Returns		
	1 Mo.*	3 Mo.*	YTD	1 Yr.	3 Yr.	Since Inception
BBH Intermediate Municipal Bond Fund (Class I)	1.16%	1.79%	1.84%	1.84%	3.04%	3.47%
BBH Intermediate Municipal Bond Fund (Class N)	1.05%	1.65%	1.50%	1.50%	2.85%	3.32%
Bloomberg Barclays Municipal Bond 1-15 Year Blend Index	1.11%	1.71%	1.58%	1.58%	1.96%	2.68%
Class I: Net/Gross Expense Ratio (%) 0.50 / 0.69	All performance is net of fees Sources: BBH & Co. and Bloomberg					
Class N: Net/Gross Expense Ratio (%) 0.65 / 1.05						

* Returns are not annualized.

The Investment Adviser has contractually agreed to limit the Total Annual Fund Operating Expenses to 0.65% for Class N shares and 0.50% for Class I shares through March 1, 2019. The Expense Limitation Agreement may only be terminated during its term with approval of the Fund's Board of Trustees (the "Board").

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. Fund shares redeemed within 30 days of purchase are subject to a redemption fee of 1.00%.

The Bloomberg Barclays 1-15 Year Blend (1-17) Muni Index is a component of the Barclays Municipal Bond index, including bonds with maturity dates between one and 17 years. The Bloomberg Barclays Municipal Bond Index is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year. The index is not available for direct investment.

This material is not authorized for distribution unless accompanied or preceded by a current [Fund prospectus](#).

Share Class Overview
As of December 31, 2018

	Ticker	CUSIP	Inception Date	Total Net Assets (mil)	NAV	30-Day SEC Yield* (Subsidized)	30-Day SEC Yield* (Unsubsidized)
Class I	BBIX	05528C824	04/01/2014	\$240.0	\$10.32	2.09%	2.09%
Class N	BBINX	05528C816	04/01/2014	\$38.1	\$10.32	1.93%	1.82%

* SEC yield is a calculation based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the reported period.

Credit Quality As of December 31, 2018	
Cash and Cash Equivalents	4.7%
AAA	29.8%
AA	34.0%
A	30.5%
BBB	1.0%
BB	0.0%
B or Lower	0.0%
Not Rated	0.0%
Total	100.0%

Reported as a percentage of portfolio securities.

Top 10 Holdings / Coupon / Maturity As of December 31, 2018			
Virginia State College Building Authority	5.000%	09/01/2027	2.6%
State of Texas	5.000%	08/01/2025	2.2%
Ohio State Housing Finance Agency	4.000%	03/01/2047	2.0%
State of Massachusetts	5.000%	07/01/2026	1.9%
Public Energy Authority of Kentucky (Peak) Gas Supply	4.000%	12/01/2049	1.7%
Florida State Housing Finance Corp	4.250%	01/01/2050	1.7%
Texas State Municipal Gas Acquisition	2.260%	09/15/2027	1.6%
Railsplitter Tobacco Settlement Authority	5.000%	06/01/2027	1.5%
Washington State Housing Finance Commission	2.260%	12/01/2048	1.4%
Florida Board of Education Lottery Revenue Bonds	5.000%	07/01/2027	1.4%
Total			18.1%

Reported as a percentage of total portfolio.

Sector Distribution As of December 31, 2018	
General Obligations	35.6%
Pre-Refunded	1.1%
Revenue	63.3%
Total	100.0%

Reported as a percentage of portfolio securities.

Fund Facts As of December 31, 2018	
Number of Holdings	174
Number of Issuers Held	95
Effective Duration (years)	4.71
Yield to Maturity	2.64%
Yield to Worst	2.61%

Holdings are subject to change. Totals may not sum due to rounding.

Credit Quality letter ratings are provided by Standard and Poor's, Moody's and Fitch and are presented as the higher of the three ratings. When a security is not rated by Standard & Poor's, Moody's or Fitch, the highest credit ratings from DBRS and Kroll may be used. Credit ratings reflect the credit quality of the underlying issues in the portfolio and not of the portfolio itself. Issues with credit ratings of BBB or better are considered to be investment grade, with adequate capacity to meet financial commitments. Issues with credit ratings below BBB are considered speculative in nature and are vulnerable to the possibility of issuer failure or business interruption.

Effective duration is a measure of the portfolio's return sensitivity to changes in interest rates.

Yield to Maturity is the rate of return the portfolio would achieve if all purchased bonds and derivatives were held to maturity, assuming all coupon and principal payments are received as scheduled and reinvested at the same yield to maturity. This figure is subject to change and is not meant to represent the yield earned by any particular security.

Yield to Worst is the lowest yield an investor can expect when there is optionality on the bond (i.e., call or put, etc.). Yield to Maturity and Yield to Worst are before fees and expenses.

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

There is no assurance that this investment objective will be achieved. Diversification does not eliminate the risk of experiencing investment losses. Investing in the bond market is subject to certain risks including market, interest-rate, issuer, credit, and inflation risk; investments may be worth more or less than the original cost when redeemed. Income from municipal bonds may be subject to state and local taxes and at times the alternative minimum tax. The Fund also invests in derivative instruments, investments whose values depend on the performance of the underlying security, assets, interest rate, index or currency and entail potentially higher volatility and risk of loss compared to traditional stock or bond investments.

For more complete information, visit www.bbhffunds.com for a current Fund 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 1100, 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. BBH acts as the Fund Administrator and is located at 140 Broadway, New York, NY 10005.

Not FDIC Insured

No Bank Guarantee

May Lose Money