Jackson Square Partners San Francisco

Jackson Square All-Cap Growth Fund Commentary

As of June 30, 2018

QUARTERLY MARKET REVIEW

It was a quiet quarter on the surface as the MSCI ACWI was up only marginally and the Bloomberg Barclays US Aggregate Bond Index was down only slightly. However, under the surface, there was considerable differentiation. U.S. stocks led the way globally, outperforming the ACWI while Australia, Canada and the UK were the only non-U.S. developed markets to outperform the ACWI during the quarter.

Higher oil prices provided some support for commodities and global energy stocks. The US Dollar outperformed major currencies handily on higher interest rates and expectations of solid economic growth in the U.S.

Style factors provided little drama overall but we did see a reversal of the Momentum factor during the quarter. Trading Activity continued its leadership from the first quarter while Size and Value both continued to lag.

For the second quarter of 2018, the small-mid cap Russell 2500 Growth® gained 5.53% while the Large-Cap Russell 1000 Growth® gained 5.76% and the Russell 3000 Growth® gained 5.87% In the international equity markets, the MSCI ACWI ND® gained 0.53%.

STRATEGY REVIEW

For the second quarter of 2018 the All-Cap Growth Portfolio outperformed its benchmark, the Russell 3000 Growth Index. While performance was largely driven by our stock exposure, on a sector level, consumer discretionary was the largest contributor and information technology was the largest detractor from performance.

Contributors

TripAdvisor Holdings, Inc., a travel website providing travel advice and planning features, was a contributor to performance during the quarter. The company reported positive earnings on May 8, demonstrating a strong start to 2018 with its Hotel segment results ahead of expectations and accelerated growth in its Non-Hotel segment. Average monthly unique visitors on TripAdvisor branded websites and apps grew 12% year-on-year to 433mm. Additionally, in June, delivery.com and TripAdvisor announced the integration of delivery.com's network into TripAdvisor's website and mobile app. This integration will allow users to order food at the push of a button from the thousands of restaurant partners currently available through delivery.com. We believe TripAdvisor is an undervalued asset due to its ability to attract significant numbers of interested travelers and that the company is worth more than recognized at the current valuation.

Take-Two Interactive Software, Inc., a publisher and distributor of video games, was a contributor to performance during the quarter. The company reported strong FY 4Q18 earnings. Additionally, while FY 2019 guidance was lower than expected, we believe it's possible these estimates are conservative given management's tendency to build upon expectations set at the beginning of the year. Overall, we believe Take-Two's growth has been fueled by the increasingly popular in-game purchases and is a beneficiary of industry tailwinds with added option value of incremental online monetization to new and existing titles.

Mastercard Incorporated, a financial service corporation that facilitates electronic funds transfer, was a contributor to performance during the quarter. The company announced earnings numbers for the first quarter, which were not as high as the nominal reported numbers due to adjustments however, were strong enough to drive the stock higher. Even after excluding accounting changes, acquisitions and similar changes that may distort year-on-year comparisons, the company's net revenue growth increased by 20% and operating income by 27%. We believe the company's operating margins will continue to expand in the near to mid-term. More broadly, there is an inexorable global payment trend away from paper currency and checks toward electronic payments (credit and debit). We believe that Mastercard is well positioned to take advantage of said trend; the company's revenues are based on transactions laid over an existing network with minimal incremental capital investment required, resulting in high incremental margins.

Detractors

Liberty Global Plc, an international telecommunications and diversified cable company, was a detractor from performance during the quarter. We believe that weaker than expected video subs for US cable companies and COMCAST's pursuit of Sky have pushed investors to focus unduly on secular trends against cable in the US market despite meaningful differences in how the European market operates; unlike the US, average revenue per user in Europe is 50% to 80% less expensive due to lower content cost inflation. Additionally, the company officially announced a deal to sell their German, Czech, Hungarian and Romanian assets for $23bn. While we believe this deal will be economically accretive, the duration of the approval process and the unknown use of proceeds has created short term uncertainty and pressured the stock. We do not believe this pressure will persist and continue to believe that Liberty Global has an advantaged network with sustainable pricing power in an industry that continues to consolidate.

Applied Materials, Inc., the global leader in providing equipment, services and software to enable the manufacture of advanced semiconductors and flat panel displays, was a detractor from performance during the quarter. The company announced earnings May 18, including a soft guidance for its 3Q targets. The company expects display revenues to decrease 15-20% year-on-year in FY19, based primarily due to lower mobile OLED investments from display manufacturers after declining smartphone sales. Regardless of the display segment choppiness, management maintained its general Wafer Fab Equipment outlook, reiterating demand diversification; Apple is no longer the sole driver of memory ASP cycles. As a result, and despite the negative overhang of poor earnings, we remain confident that Applied Materials is undervalued by the market, is competitively placed in a consolidated sector with high barriers to entry and whose growth drivers, namely increasing capital intensity at an industry level, should well position the company for the long-term.

STRATEGY REVIEW CONTINUED

eBay Inc., the online shopping and auction site, was a detractor from performance during the quarter. The company announced earnings during which management reinforced their confidence in the company's advertising partners' ability to comply with the EU's General Data Protection Regulation and their focus on marketing the eBay brand. Nonetheless, we believe investors remain cautious on management's ability to deliver on eBay's payments intermediation transition plan that was laid out in January and unduly fear that the momentum behind the company's strategy to drive acceleration in the business could be hard to maintain. Nonetheless, management announced revenues of $2.6bn, up 12% year-on-year (7% on a currency neutral basis), $337mm of free cash flow, and took advantage of an undervalued share price to repurchase $1bn of eBay shares. Overall, we believe that the company's investments in structured data and improved user experience will continue to have a positive impact on gross merchandise volume and we continue to maintain a full position.

MARKET OUTLOOK

After significant positive absolute returns in the equity market over the past several years, some measures of volatility emerged during the first quarter of 2018 and lingered into the second quarter. The volatility appeared to be both technical and fundamental, leaving investors continuing to struggle with accurately predicting the pace of global economic recovery and assessing external factors that threaten economic fundamentals, such as central bank actions and fiscal policy debates across the globe. In any given period, including the second quarter, the markets oscillate quickly from sector rotations to stock differentiation and then back again. The result can sometimes be investor focus on equities as an asset class as opposed to a focus on company-specific fundamentals.

President's Trump's unconventional style as a head of state and current questions and investigations surrounding his administration may hamper significant policy change. In the short term, we are mindful of the potential macroeconomic implications of Trump policy shifts, e.g. economic growth, higher corporate and personal incomes from lower tax rates, etc. More recently, President Trump's comments and public positioning on global trade has created more investor concerns about how a potential global trade war might impact the pace of economic growth and the upcoming fall mid-term elections bear close watch. We believe it is too early to determine the long term magnitude of such outcomes but we will closely monitor President Trump's tenure with a keen eye on the execution of significant policy shifts.

Nonetheless, regardless of policy outcomes, we remain consistent in our long-term investment philosophy:

We want to own what we view as strong secular-growth companies with solid business models and competitive positions that we believe can grow market share and have the potential to deliver shareholder value in a variety of market environments.

PERFORMANCE as of 06/30/18	Current quarter	YTD	1 year	Since inception	Inception date	Gross expense	Net expense*
JS All-Cap Growth Fund IS Class	6.21%	8.23%	20.39%	15.67%	9/19/16	2.94%	0.91%
Russell 3000® Growth Index	5.87%	7.44%	22.47%	22.15%	9/19/16		

The performance shown represents past performance. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, call 844.577.3863. Short term performance in particular is not a good indication of the fund's future performance and an investment should not be made based solely on returns. Performance reflects fee waivers in affect. In the absence of such waiver, returns would be reduced.

* The adviser has contractually agreed to reduce management fees and reimburse operating expenses until 02/28/19. Net expense is what the investor pays.

TOP 10 HOLDINGS		% of Total Net Assets
Microsoft	Technology	8.42
PayPal Holdings	Financial Services	4.92
New York Times - Class A	Consumer Discretionary	4.73
Alphabet - Class A & C	Technology	4.55
Biogen	Health Care	3.52
Liberty TripAdvisor Holdings	Consumer Discretionary	3.47
TripAdvisor	Consumer Discretionary	3.34
Take-Two Interactive Software	Technology	3.03
FedEx	Producer Durables	2.95
Visa - Class A	Financial Services	2.92
Total Top Ten Holdings		**41.85**

List excludes cash and cash equivalents.

IMPORTANT INFORMATION

Unless otherwise noted, the source of statistical information used in this document was FactSet.

The views expressed represent the Manager's assessment of the account and market environment as of 06/30/18 and should not be considered a recommendation to buy, hold, or sell any security, and should not be relied on as research or investment advice. Holdings are as of 06/30/18 and subject to change. Investments in small and/or medium-sized companies typically exhibit greater risk and higher volatility than larger, more established companies. Because this strategy expects to hold a concentrated portfolio of a limited number of securities, the portfolio's risk is increased because each investment has a greater effect on the strategy's overall performance.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company and may be obtained by calling 844.577.3863, or by visiting www.jspfunds.com. Read the prospectus carefully before investing.

Mutual Fund investing involves risk. Principal loss is possible. Small- and Mid-capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater in emerging and frontier markets. Investments in Real Estate Investment Trusts (REITs) involve additional risks such as declines in the value of real estate and increased susceptibility to adverse economic or regulatory developments.

Earnings growth is not representative of the Fund's future performance.

The Russell 3000® Growth Index measures the growth segment of the U.S. equity universe. It includes those Russell 3000® Index companies with higher growth earning potential, as defined by Russell's leading style methodology. The Russell 2500® Growth Index measures the performance of the SMID-Cap Growth segment of the U.S. equity universe. It includes those Russell 2500® Growth companies with higher price-to-book ratios and higher forecasted growth values. Russell 1000® Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the U.S. equity universe. The MSCI All Country World Index is a free float-adjusted market capitalization weighted index designed to measure equity market performance across developed markets world-wide. Index "net" return reflects minimum possible dividend reinvestment, after deduction of withholding tax at the highest possible rate. For comparison purposes, the index is fully invested and includes the reinvestment of income. Index returns do not reflect management fees, transaction costs, or expenses. Indices are unmanaged, and one cannot invest directly in an index. Benchmark information contained herein has been obtained from third party sources believed to be reliable, but we cannot guarantee its accuracy or completeness. All third-party marks are the property of their respective owners. The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). Free Cash Flow is a way of looking at a business's cash flow to see what is available for distribution among all the securities holders of a corporate entity. EBITDA is earning before interest, tax, depreciation and amortization. Basis points is one hundredth of one percent.

Information regarding JSP's policies and procedures for calculating and reporting performance results is available upon request. A complete list and description of composites managed by Jackson Square Partners is available upon request. The above information is not intended and should not be construed as a presentation of information regarding any mutual fund.

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