

# Driehaus Emerging Markets Small Cap Growth Fund Commentary

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*"I don't care what he says. He's Michael Jordan. Any dadgum thing he says is ok with me."*

— University of North Carolina men's basketball coach Roy Williams

The month of March brings one of my favorite annual traditions, the NCAA basketball tournament. Anything can happen during March Madness, as lower ranked teams compete with, and often beat, more heralded squads, and emotions run high. My alma mater, the University of North Carolina, has advanced deep into the tournament several times in recent years, coming up just short of winning the championship in 2016.

This year, a big win over arch rival Duke, avenging a loss from earlier in the season, started the month off with a bang for UNC fans. Chapel Hill was particularly abuzz that night due to a surprise halftime speech by its most treasured basketball alumnus, Michael Jordan, who was on hand to promote the expansion of his iconic "Jumpman" logo, soon to be featured on UNC's football uniforms.

Jordan concluded his halftime speech in front of a sellout crowd of 21,750 fans at the Dean E. Smith Center by declaring, "the ceiling is the roof," prompting a series of reactions by fans and sportscasters. Initially, the line was wildly cheered, as many fans (myself included) hang on to any word from "His Airness." But as time passed and emotions from the game settled, most of us subsequently asked ourselves, "wait a minute, what exactly does 'the ceiling is the roof' mean?"

What then ensued was an onslaught of overanalysis, with a wide range of thoughts, opinions, and Internet memes that pontificated on the meaning of Jordan's phrase. Maybe he misspoke or meant to say "the sky is the limit," or perhaps, since the context of the quote surrounded UNC's football team, which plays in an open air stadium, his remark implied that there is no ceiling to the team's potential success. We'll never know!

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## **Disclosures**

*This material is not intended to be relied upon as a forecast or research. The opinions expressed are those of Driehaus Capital Management LLC ("Driehaus") as of April 7, 2017 and are subject to change at any time due to changes in market or economic conditions. The commentary has not been updated since April 7, 2017 and may not reflect recent market activity. The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable and are not necessarily all inclusive. Driehaus does not guarantee the accuracy or completeness of this information. There is no guarantee that any forecasts made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.*

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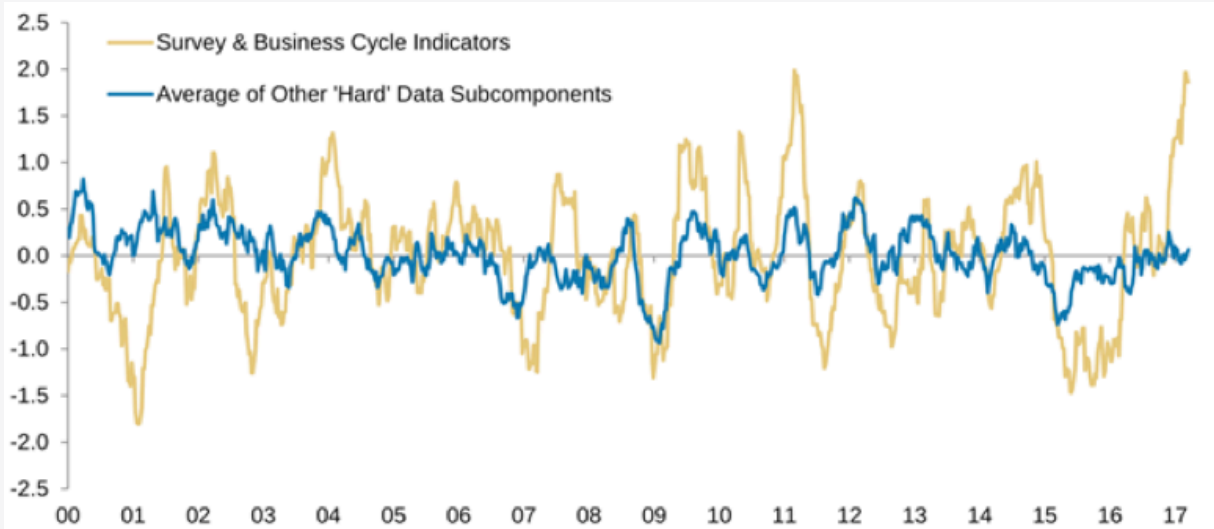
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The March meeting of the Federal Open Market Committee (FOMC) brought about a similar feeling, as market participants clung to every word of Federal Reserve Chair Yellen’s press conference, seeking direction on future monetary policy. Entering the meeting, markets had priced in three Fed interest rate hikes over the course of 2017, but would a more hawkish turn unfold, given the coordinated strength of global economic data of late? Or would the Fed’s stance reflect uncertainties over the direction of US fiscal spending and the divergence between the somewhat disappointing “hard data” and the red hot sentiment-based indicators (Exhibit 1)?

Perhaps the most important takeaway from the March FOMC meeting in an emerging markets context is the indication that the Fed is willing to undertake a gradual path of interest rate hikes, signaling that they will tolerate rising inflation in an effort to continue bolstering growth and employment. In Yellen’s own words, “It’s a reminder two percent is not a ceiling on inflation, it’s a target.”

Given the high level of real interest rate differentials in emerging markets, this posture toward ongoing reflation and gradual rate hikes was more than enough to support EM assets. Borrowing from the words of the great Michael Jordan, when it comes to near-term inflation targets, it appears that the ceiling is the roof.

**Exhibit 1: US Economic Surprise Index**



Source: Bloomberg

## Performance Review

The Driehaus Emerging Markets Small Cap Growth Fund advanced 3.89% in March, compared to the MSCI Emerging Markets Small Cap Index gain return of 2.63%, and the MSCI Emerging Markets Index gain of 2.52%.<sup>1</sup>At the sector level, the most significant contributors to returns were

consumer discretionary, utilities, and consumer staples. Information technology and industrial sectors detracted the most value. At the country level, Argentina and Hong Kong added value for the month. Thailand and Taiwan were notable detractors from returns.

### <sup>1</sup>Performance Disclosure

The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors’ shares, when redeemed, may be worth more or less than their original cost. The Fund will charge a redemption fee of 2.00% on shares held less than 60 days. Performance data represents

the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change, while cumulative total return reflects aggregate change. **Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information.** Sources: Driehaus Capital Management LLC, Factset, Reuters and MSCI Indices

## Positioning and Outlook

The fund continues to increase its weighting in domestically driven companies, as we see nascent improvements in earnings growth in the consumer sectors and healthcare, while numerous industrial metal and energy prices have potentially entered into a rangebound environment. Examples of such ideas include a contract marketing organization for pharmaceuticals in China, a biscuit and confectionery producer in India, and a quick service restaurant chain in Latin America.

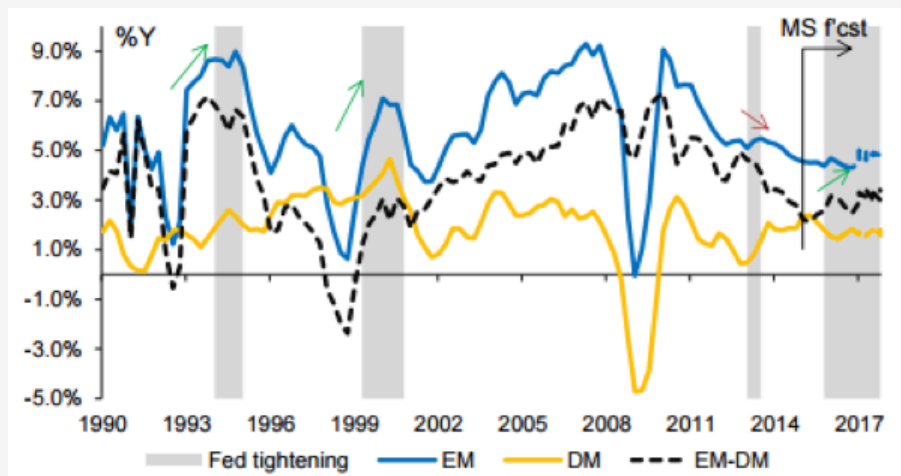
We continue to expect a largely favorable backdrop for EM currencies, driven by wide differentials between EM and US real interest rates, a broad-based healing of external deficits, and stable commodity prices (Exhibit 2). While we do not expect a return of the economic growth rates observed in the middle to latter part of the last decade, we do also observe a growth differential between EM and developed economies that is improving for the first time in several years (Exhibit 3). The combination of a high real interest rate differential and an improving growth

**Exhibit 2: Emerging Market Real Rates Already High vs US Real Rates**



Source: Morgan Stanley Research

**Exhibit 3: Emerging Market vs Developed Market Growth Differential is improving**



Source: NIDFPF, Credit Suisse estimates

#### Exhibit 4: Global Bond and Equity Allocation Percentages



Source: IIF Portfolio Allocation Trends: Cautiously Optimistic, dated 8-Mar-17

differential should support capital flows into EM, where allocators maintain their lowest positions since the global financial crisis (Exhibit 4).

This stance makes us more optimistic on the potential for earnings growth and positive earnings revisions to

reassert as drivers of stock prices within EM after last year's largely value-driven rally. While markets may not move in a linear fashion, we observe signs of growth bottoming out from a stylistic perspective, and continue to position the portfolio in companies that we see as having the greatest prospects for upward earnings revisions in the backdrop described above.

Until next month,

**Chad Cleaver**, Lead Portfolio Manager  
*Driehaus Emerging Markets Small Cap Growth Fund*

# DRESX Performance Review

## Month-end Performance as of 3/31/17

| Fund/Index   | MTD   | YTD    | 1 Year | Average Annual Total Return |        |                              |
|--|-------|--------|--------|-----------------------------|--------|------------------------------|
|  |       |        |        | 3 Year                      | 5 Year | Since Inception <sup>1</sup> |
| Driehaus Emerging Markets Small Cap Growth Fund <sup>2</sup> | 3.89% | 10.23% | 4.15%  | -4.07%                      | 3.61%  | 11.46%                       |
| MSCI Emerging Markets Small Cap Index (ND) <sup>3</sup>      | 2.63% | 13.02% | 14.49% | 1.66%                       | 2.87%  | 14.09%                       |
| MSCI Emerging Markets Small Cap Index (GD) <sup>3</sup>      | 2.64% | 13.05% | 14.80% | 1.95%                       | 3.17%  | 14.41%                       |
| MSCI Emerging Markets Index (ND) <sup>4</sup>                | 2.52% | 11.45% | 17.22% | 1.18%                       | 0.81%  | 10.01%                       |

## Calendar Quarter-end Performance as of 3/31/17

| Fund/Index   | QTR    | YTD    | 1 Year | Average Annual Total Return |        |                              |
|--|--------|--------|--------|-----------------------------|--------|------------------------------|
|  |        |        |        | 3 Year                      | 5 Year | Since Inception <sup>1</sup> |
| Driehaus Emerging Markets Small Cap Growth Fund <sup>2</sup> | 10.23% | 10.23% | 4.15%  | -4.07%                      | 3.61%  | 11.46%                       |
| MSCI Emerging Markets Small Cap Index (ND) <sup>3</sup>      | 13.02% | 13.02% | 14.49% | 1.66%                       | 2.87%  | 14.09%                       |
| MSCI Emerging Markets Small Cap Index (GD) <sup>3</sup>      | 13.05% | 13.05% | 14.80% | 1.95%                       | 3.17%  | 14.41%                       |
| MSCI Emerging Markets Index (ND) <sup>4</sup>                | 11.45% | 11.45% | 17.22% | 1.18%                       | 0.81%  | 10.01%                       |

## Annual Fund Operating Expenses<sup>5</sup>

|   |              |
|---|--------------|
| Management Fee                              | 1.50%        |
| Other Expenses                              | 0.19%        |
| <b>Total Annual Fund Operating Expenses</b> | <b>1.69%</b> |

The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. The Fund will charge a redemption fee of 2.00% on shares held less than 60 days. Performance data represents the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change, while cumulative total return reflects aggregate change. Contractual fee waivers were in effect from inception to 8/21/2014. Without such fee waivers, performance numbers would have been reduced. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information.

<sup>1</sup>Inception Date: 12/1/2008. "Since Inception" is calculated to include performance from the Fund's predecessor limited partnership. <sup>2</sup>The average annual total returns of the Driehaus Emerging Markets Small Cap Growth Fund include the performance of the Fund's predecessor limited partnership, which is calculated from December 1, 2008 before the Fund commenced operations and succeeded to the assets of its predecessor on August 22, 2011. The predecessor limited partnership was not registered under the Investment Company Act of 1940, as amended ("1940 Act") and thus was not subject to certain investment and operational restrictions that are imposed by the 1940 Act. If the predecessor had been registered under the 1940 Act, its performance may have been adversely affected. The Fund's predecessor performance has been restated to reflect estimated expenses of the Fund. After-tax performance returns are not included for the predecessor limited partnership. The predecessor was not a regulated investment company and therefore did not distribute current or accumulated earnings. <sup>3</sup>The Morgan Stanley Capital International Emerging Markets Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure equity market performance of small cap stocks in global emerging markets. Data is in US dollars. The net dividend (ND) index is calculated with net dividend reinvestment. The gross dividend (GD) index is calculated with gross dividend reinvestment. The benchmark has changed from the MSCI Emerging Markets Small Cap Index (GD) to the MSCI Emerging Markets Small Cap Index (ND) because the net index is more commonly used industry wide and is a more representative comparison versus the fund because it is presented net of foreign withholding taxes. <sup>4</sup>The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market

capitalization-weighted index designed to measure equity market performance in global emerging markets. Data is in US dollars. The net dividend (ND) index is calculated with net dividend reinvestment. <sup>5</sup>Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2016. It is important to understand that a decline in the Fund's average net assets due to unprecedented market volatility or other factors could cause the Fund's expense ratio for the current fiscal year to be higher than the expense information presented.

The Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the Fund has benefited from unusually strong market conditions. At times, a significant portion of a Fund's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and the Fund may not experience similar performance results as its assets grow. **Investments in overseas markets can pose more risks than U.S. investments, and the Fund's share prices are expected to be more volatile than that of a U.S.-only fund.** In addition, the Fund's returns will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the Fund invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the Fund's prospectus.

**Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com). Please read the prospectus carefully before investing.**

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# DRESX Portfolio Characteristics

## Portfolio Snapshot

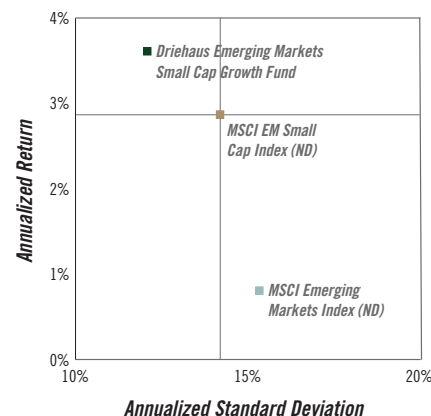
|                               | excluding cash |                |
|-------------------------------|----------------|----------------|
| Assets Under Management (AUM) | \$263,444,543  |                |
| Long Exposure                 | \$262,976,370  | \$247,917,760  |
| Short Exposure                | (\$43,360,147) | (\$43,360,147) |
| Net Exposure                  | \$219,616,223  | \$204,557,613  |
| Net Exposure/AUM              | 83.36%         | 77.65%         |
| Gross Exposure                | \$306,336,518  | \$291,277,908  |
| Gross Exposure/AUM            | 1.16x          | 1.11x          |

## Portfolio Characteristics

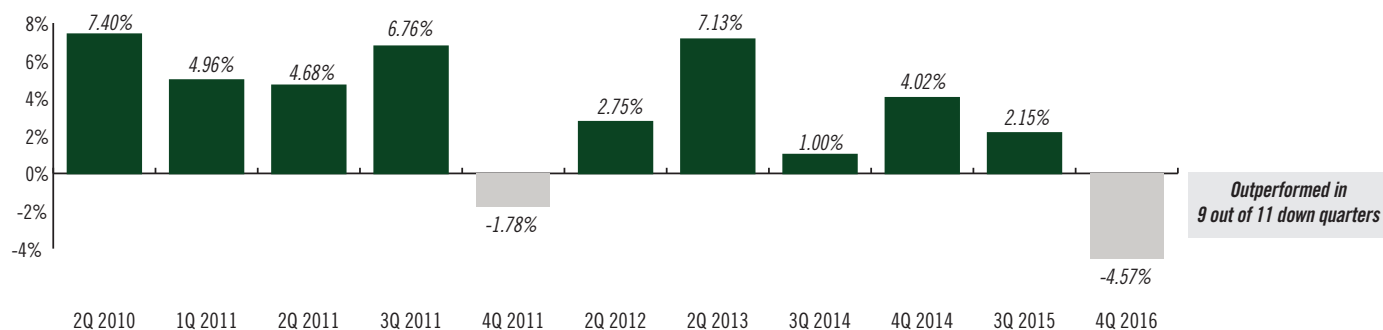
|   | Fund          | Benchmark |
|---|---------------|-----------|
| Number of Equity Holdings               | 111           | 1,831     |
| Active Share (3-year avg.) <sup>1</sup> | 103.30        | n/a       |
| Est. 3-5 Year EPS Growth                | 20.2%         | 15.2%     |
| Weighted Avg. Market Cap (\$M)          | \$3,152       | \$1,238   |
| Median Market Cap (\$M)                 | \$2,173       | \$654     |
| Mkt. Cap Breakout                       | < \$5 billion | 89.6%     |
|   | > \$5 billion | 18.4%     |
|   |               | 99.8%     |
|   |               | 0.2%      |

## Risk & Return Characteristics (Trailing 5-years)

|                            | Fund  | MSCI EM Small Cap Index (ND) | Fund  | MSCI Emerging Markets Index (ND) |
|----------------------------|-------|------------------------------|-------|----------------------------------|
| Annualized Return          | 3.61  | 2.87                         | 3.61  | 0.81                             |
| Standard Deviation         | 12.08 | 14.19                        | 12.08 | 15.33                            |
| Upside Capture             | 64.19 | 100.00                       | 57.47 | 100.00                           |
| Downside Capture           | 63.40 | 100.00                       | 52.39 | 100.00                           |
| Beta                       | 0.67  | 1.00                         | 0.54  | 1.00                             |
| Alpha                      | 1.74  | n/a                          | 3.28  | n/a                              |
| Sharpe Ratio               | 0.29  | 0.19                         | 0.29  | 0.05                             |
| R-squared                  | 0.62  | 1.00                         | 0.47  | 1.00                             |
| Tracking Error             | 8.81  | 0.00                         | 11.28 | 0.00                             |
| Information Ratio          | 0.08  | n/a                          | 0.25  | n/a                              |
| # Negative Monthly Returns | 24    | 26                           | 24    | 27                               |
| # Positive Monthly Returns | 36    | 34                           | 36    | 33                               |



## FUND'S EXCESS RETURNS<sup>2</sup> (%pts) vs. MSCI EM Small Cap Index (ND) — Quarters with Negative Index Returns, Since Inception (12/1/08)



Source: FactSet Research Systems LLC and Driehaus Capital Management. Data calculated with monthly returns. Data as of 3/31/17. <sup>1</sup>Data is calculated monthly. <sup>2</sup>This chart depicts Driehaus Emerging Markets Small Cap Growth Fund's (DRESX) outperformance (or under-performance) versus the MSCI Emerging Markets Small Cap Index in all instances where the MSCI Emerging Markets Small Cap Index (ND) had a negative quarterly return since DRESX's inception on 12/1/2008. Net of fee performance is used. MSCI Emerging Markets Small Cap Index. Data as of 3/31/17. Performance for the Driehaus Emerging Markets Small Cap Growth Fund (DRESX) is used. The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment

will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (800) 560-6111 or visiting our website at [www.driehaus.com](http://www.driehaus.com). Fund returns shown include the reinvestment of all dividends and capital gains. Contractual fee waivers were in effect from inception to 8/21/2014. Without such fee waivers, performance numbers would have been reduced. The total annual fund operating expense for DRESX is 1.69% as disclosed in the 4/30/16 prospectus. Please see notes at end of presentation for more information on indices used. A definition of key terms can be found on page 10.

## Derivative Weights (%)

|                                  |              |                                   |              |
|----------------------------------|--------------|-----------------------------------|--------------|
| <b>Options</b>                   | <b>-5.67</b> | <b>Interest Rate Swaps</b>        | <b>0.10</b>  |
| <i>Brazilian Currency Call</i>   |              | <i>Korean Currency Swap</i>       |              |
| <i>Emerging Markets ETF Puts</i> |              | <b>Credit Default Swaps (CDS)</b> | <b>-7.98</b> |
| <b>Currency Forwards</b>         | <b>0.61</b>  | <i>Sovereign Turkey CDS</i>       |              |
| <i>Korean Currency Forwards</i>  |              |                                   |              |
| <i>Taiwan Currency Forwards</i>  |              |                                   |              |

\*Options figures are delta adjusted and net.

\*\*Currency Forwards, Interest Rate Swaps and Credit Default Swaps exposures are net.

## Sector Weights (%)

|                        | Fund | Benchmark | Active Weights |
|------------------------|------|-----------|----------------|
| Consumer Discretionary | 18.8 | 16.6      | 2.2            |
| Consumer Staples       | 7.6  | 6.4       | 1.2            |
| Energy                 | 4.6  | 1.8       | 2.9            |
| Financials             | 14.4 | 9.2       | 5.2            |
| Health Care            | 6.6  | 8.4       | -1.8           |
| Industrials            | 17.8 | 15.3      | 2.5            |
| Information Technology | 12.2 | 17.4      | -5.2           |
| Materials              | 5.4  | 11.3      | -5.9           |
| Real Estate            | 0.9  | 9.0       | -8.1           |
| Telecom. Services      | 1.5  | 1.0       | 0.5            |
| Utilities              | 4.3  | 3.7       | 0.6            |
| Cash                   | 5.7  | 0.0       | 5.7            |

## Regional Weights (%)

|                  |       |
|------------------|-------|
| Frontier Markets | 6.30  |
| Emerging Markets | 73.65 |
| Other Markets    | 11.44 |

## Country Weights (%)

|                      | Fund | Benchmark | Active Weights |
|----------------------|------|-----------|----------------|
| Argentina            | 2.7  | 0.0       | 2.7            |
| Brazil               | 5.3  | 4.5       | 0.8            |
| China                | 8.4  | 11.4      | -3.0           |
| Czech Republic       | 1.9  | 0.0       | 1.8            |
| Egypt                | 0.5  | 0.4       | 0.1            |
| India                | 18.7 | 13.1      | 5.6            |
| Indonesia            | 2.0  | 2.4       | -0.4           |
| Kenya                | 1.5  | 0.0       | 1.5            |
| Malaysia             | 0.8  | 3.1       | -2.3           |
| Mexico               | 2.8  | 2.9       | -0.1           |
| Pakistan             | 1.3  | 0.0       | 1.3            |
| Philippines          | 1.9  | 1.1       | 0.9            |
| Poland               | 0.8  | 1.2       | -0.4           |
| Russia               | 1.0  | 0.8       | 0.2            |
| South Africa         | 4.1  | 5.4       | -1.4           |
| South Korea          | 8.6  | 16.6      | -8.0           |
| Taiwan               | 11.3 | 17.7      | -6.4           |
| Thailand             | 7.1  | 3.6       | 3.5            |
| Turkey               | 1.4  | 1.0       | 0.3            |
| United Arab Emirates | 0.8  | 0.6       | 0.2            |
| Other <sup>1</sup>   | 11.4 | 11.4      | 0.0            |
| Cash                 | 5.7  | 0.0       | 5.7            |

<sup>1</sup>Other represents companies with significant emerging markets related exposures that are not domiciled within an emerging market.  
Data as of 3/31/17.

## Top 5 Holdings<sup>1</sup> as of 2/28/17

| Company                                | Country        | Description   | % of Fund |
|--|----------------|---|-----------|
| IRPC Public Co., Ltd. NVDR             | Thailand       | Engaged in the petrochemical and petroleum industries in Southeast Asia   | 2.6%      |
| China Lodging Group Ltd. Sponsored ADR | China          | A multi-brand hotel group in China with leased, manachised and franchised models  | 2.0%      |
| Silergy Corp.                          | Taiwan         | Principally engaged in the manufacture and sale of power integrated circuits  | 2.0%      |
| Equatorial Energia S.A.                | Brazil         | A company engaged in the energy sector  | 1.9%      |
| MONETA Money Bank AS                   | Czech Republic | Provides banking services, accounts, credit cards, personal loans, car leasing, mortgages, investments and insurance products | 1.8%      |

## Sector Attribution 2/28/17 to 3/31/17 (US Dollar Denominated)

| MSCI/GICS Sector           | Driehaus Emerging Markets Small Cap Growth Fund (%) |                        | MSCI Emerging Markets Small Cap Index (ND) <sup>2</sup> (%) |                         | Attribution Analysis (%)  |
|----------------------------|---|------------------------|---|-------------------------|---------------------------|
|                            | Port Avg. Weight                                    | Port Contrib To Return | Bench Avg. Weight   | Bench Contrib To Return | Total Effect <sup>3</sup> |
| Consumer Discretionary     | 17.74   | 1.69                   | 16.49   | 0.50                    | 1.17                      |
| Consumer Staples           | 6.79  | 0.20                   | 6.50  | 0.02                    | 0.19                      |
| Energy                     | 4.51  | 0.12                   | 1.74  | 0.05                    | 0.01                      |
| Financials                 | 15.16   | 0.61                   | 9.16  | 0.23                    | 0.22                      |
| Health Care                | 6.44  | 0.15                   | 8.30  | 0.24                    | -0.02                     |
| Industrials                | 18.12   | 0.60                   | 15.34   | 0.47                    | 0.03                      |
| Information Technology     | 12.25   | 0.59                   | 17.16   | 0.83                    | -0.14                     |
| Materials                  | 6.31  | 0.02                   | 11.51   | -0.12                   | 0.26                      |
| Real Estate                | 0.95  | 0.06                   | 9.07  | 0.36                    | -0.07                     |
| Telecommunication Services | 1.72  | 0.03                   | 0.96  | 0.03                    | -0.02                     |
| Utilities                  | 4.34  | 0.11                   | 3.76  | 0.01                    | 0.09                      |
| Cash                       | 5.61  | 0.01                   | 0.00  | 0.00                    | -0.08                     |
| Other <sup>4</sup>         | 0.07  | -0.41                  | 0.00  | 0.00                    | -0.42                     |
| <b>Total</b>               | <b>100.00</b>                                       | <b>3.76</b>            | <b>100.00</b>   | <b>2.63</b>             | <b>1.21</b>               |

Sources: FactSet Research Systems Inc. and Driehaus Capital Management LLC.  
The information presented is intended for informational purposes only.  
Attribution data is on a trade date basis and is estimated and unreconciled.

<sup>1</sup>Holdings subject to change.

<sup>2</sup>The Morgan Stanley Capital International Emerging Markets Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure

equity market performance of small cap stocks in global emerging markets. Data is in US dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

<sup>3</sup>Total Effect - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector.

<sup>4</sup>Includes derivative securities and fees.

A definition of key terms can be found on page 10.



## Country Attribution 2/28/17 to 3/31/17 (US Dollar Denominated)

|                      | Driehaus Emerging Markets Small Cap Growth Fund (%) |                        | MSCI Emerging Markets Small Cap Index (ND) <sup>1</sup> (%) |                         | Attribution Analysis (%)  |
|----------------------|---|------------------------|---|-------------------------|---------------------------|
|                      | Port Avg. Weight                                    | Port Contrib To Return | Bench Avg. Weight   | Bench Contrib To Return | Total Effect <sup>3</sup> |
| Argentina            | 2.18  | 0.53                   | 0.00  | 0.00                    | 0.47                      |
| Australia            | 0.49  | -0.05                  | 0.00  | 0.00                    | -0.06                     |
| Bermuda              | 0.00  | 0.00                   | 0.11  | -0.01                   | 0.01                      |
| Brazil               | 6.31  | -0.17                  | 4.65  | -0.18                   | -0.02                     |
| Cayman Islands       | 1.79  | 0.38                   | 0.06  | 0.00                    | 0.34                      |
| Chile                | 0.00  | 0.00                   | 1.11  | 0.06                    | -0.03                     |
| China                | 9.33  | 0.37                   | 11.69   | 0.17                    | 0.26                      |
| Colombia             | 0.00  | 0.00                   | 0.14  | 0.00                    | 0.01                      |
| Czech Republic       | 1.88  | 0.02                   | 0.04  | 0.00                    | -0.02                     |
| Egypt                | 0.50  | -0.01                  | 0.43  | 0.00                    | -0.01                     |
| Greece               | 0.00  | 0.00                   | 0.62  | 0.04                    | -0.02                     |
| Hong Kong            | 4.78  | 0.29                   | 10.63   | 0.32                    | 0.12                      |
| Hungary              | 0.00  | 0.00                   | 0.12  | 0.00                    | 0.01                      |
| India                | 15.80   | 0.99                   | 12.61   | 1.03                    | -0.15                     |
| Indonesia            | 2.40  | 0.05                   | 2.35  | 0.06                    | -0.01                     |
| Kenya                | 1.72  | 0.03                   | 0.00  | 0.00                    | -0.02                     |
| Luxembourg           | 0.29  | -0.02                  | 0.04  | 0.00                    | -0.04                     |
| Malaysia             | 0.97  | 0.15                   | 3.07  | 0.14                    | 0.06                      |
| Mexico               | 2.73  | 0.41                   | 2.84  | 0.26                    | 0.16                      |
| Pakistan             | 1.34  | 0.01                   | 0.00  | 0.00                    | -0.03                     |
| Panama               | 0.00  | 0.00                   | 0.05  | 0.00                    | 0.00                      |
| Philippines          | 2.14  | -0.04                  | 1.08  | 0.01                    | -0.06                     |
| Poland               | 0.86  | 0.08                   | 1.18  | 0.04                    | 0.06                      |
| Qatar                | 0.00  | 0.00                   | 0.62  | -0.01                   | 0.03                      |
| Russia               | 1.14  | -0.04                  | 0.81  | 0.01                    | -0.03                     |
| Singapore            | 0.00  | 0.00                   | 0.22  | 0.09                    | -0.08                     |
| South Africa         | 4.89  | 0.06                   | 5.81  | -0.15                   | 0.24                      |
| South Korea          | 7.69  | 0.27                   | 16.25   | 0.42                    | 0.09                      |
| Spain                | 0.00  | 0.00                   | 0.09  | 0.00                    | 0.00                      |
| Taiwan               | 10.85   | 0.40                   | 17.71   | 0.36                    | 0.20                      |
| Thailand             | 8.06  | 0.12                   | 3.63  | 0.00                    | 0.01                      |
| Turkey               | 1.43  | 0.08                   | 1.07  | 0.01                    | 0.07                      |
| United Arab Emirates | 0.83  | 0.02                   | 0.66  | -0.04                   | 0.05                      |
| United Kingdom       | 0.98  | 0.01                   | 0.00  | 0.00                    | -0.01                     |
| United States        | 2.54  | 0.10                   | 0.32  | 0.02                    | 0.06                      |
| Cash                 | 11.04   | 0.01                   | 0.00  | 0.00                    | -0.39                     |
| Other <sup>2</sup>   | -4.94   | -0.29                  | 0.00  | 0.00                    | -0.04                     |
| <b>Total</b>         | <b>100.00</b>                                       | <b>3.77</b>            | <b>100.00</b>   | <b>2.63</b>             | <b>1.21</b>               |

Sources: FactSet Research Systems Inc. and Driehaus Capital Management. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether a portfolio outperformed a benchmark, and how each group contributed to performance. The performance data shown above is estimated and represents past performance and does not guarantee future results.

Current performance may be lower or higher than the performance data quoted. The information presented is intended for informational purposes only. Attribution data is on a trade date basis and is estimated and unreconciled. <sup>1</sup>A definition of this index can be found on page 8. <sup>2</sup>Includes derivative securities and fees. <sup>3</sup>Total Effect - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector.

## Notes

The Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the Fund has benefited from unusually strong market conditions. At times, a significant portion of a Fund's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and the Fund may not experience similar performance results as its assets grow. **Investments in overseas markets can pose more risks than U.S. investments, and the Fund's share prices are expected to be more volatile than that of a U.S.-only fund.** In addition, the Fund's returns will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the Fund invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the Fund's prospectus. **Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com). Please read the prospectus carefully before investing.**

**TERMS:** **Beta** is a measure of a portfolio's volatility. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. **Alpha** is the measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. **Standard deviation** is a measure of the average deviations of a

return series from its mean; often used as a measure of portfolio volatility. A large standard deviation implies that there have been large swings or volatility in the manager's return series. **Sharpe ratio** is calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation. **Downside/Upside capture** is a measure of performance in up markets (upside) and down markets (downside) relative to the Index. **Active share** represents the share of portfolio holdings that differ from the benchmark index holdings. Average drawdown is the arithmetic average of declines in value during a given period of time. Downside risk is a measure of the average deviations of a negative return series. A large downside risk implies that there have been large swings or volatility in the manager's return series. **Tracking error** measures of the amount of active risk that is being taken by a manager. Tracking error accounts for the deviation away from the benchmark and does not indicate in which direction it occurred, either positive or negative. **Information ratio** is a measure of the value added per unit of active risk by a manager over the index. A positive ratio indicates "efficient" use of risk by the manager. **R-Squared** is a statistical measure that represents the percentage of a fund's movements that can be explained by movements in a benchmark index. **At-the-money** is a term used to describe a situation where an option's strike price is identical to the price of the underlying security. **Out-of-the-money** is a term used to describe an option that has no intrinsic value, such as when a call option has a strike price that is higher than the market price of the underlying asset, or a put option with a strike price that is lower than the market price of the underlying asset. **Moneyness** is a description of a derivative relating its strike price to the price of its underlying asset. It describes the intrinsic value of an option in its current state. **Skew** is the difference in implied volatility between out-of-the-money, at-the-money and in-the-money options. Volatility skew, which is affected by sentiment and the supply/demand relationship, provides information on whether fund managers prefer to write calls or puts. **Delta-adjusted exposure** measures the first order price sensitivity of an option or derivative to changes in the price of an underlying security.