

# ARABESQUE SYSTEMATIC USA FUND

## Semi-Annual Report Performance Data March 31, 2018 (Unaudited)

Total Returns for the Period Ended March 31, 2018		
	Six Months <sup>†</sup>	Since Inception
<b>Institutional Class*</b>	<b>7.99%</b>	<b>13.82%</b>
<b>MSCI USA Index (Net Returns)</b>	<b>5.59%</b>	<b>11.89%**</b>

<sup>†</sup> Not annualized.

\* The Arabesque Systematic USA Fund (the "Fund") Institutional Class shares commenced operations on May 3, 2017.

\*\* Benchmark performance is from the commencement date of the Fund Class only and is not the commencement date of the benchmark itself.

*The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher. Performance data current to the most recent month-end may be obtained by calling (844) 567-2134. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. The table does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.*

*The Fund's "Total Annual Fund Operating Expenses" and "Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement", are 3.25% and 0.95%, respectively, for Institutional Class shares of the Fund's average daily net assets. These ratios are stated in the current prospectus dated February 1, 2018, and may differ from the actual expenses incurred by the Fund for the period covered by this report. Arabesque Investment Management Ltd ("Arabesque" or the "Adviser") has contractually agreed to reduce its investment advisory fee and/or reimburse certain expenses of the Fund to the extent necessary to ensure that the Fund's total operating expenses (excluding taxes, dividend and interest expense on securities sold short, interest, extraordinary items, "Acquired Fund Fees and Expenses" and brokerage commissions) do not exceed 0.95% (on an annual basis) with respect to the Fund's average daily net assets of the Institutional Class (the "Expense Limitation"). The Expense Limitation will remain in place until August 31, 2020, unless the Board of Trustees of FundVantage Trust (the "Trust") approves its earlier termination. The Adviser is entitled to recover, subject to approval by the Board of Trustees, such amounts reduced or reimbursed for a period of up to three (3) years from the year in which the Adviser reduced its compensation and/or assumed expenses for the Fund. No recoupment will occur unless the Fund's expenses are below the Expense Limitation amount that was in effect at the time of the Expense Limitation.*

*A 1.00% redemption fee applies to shares redeemed within 30 days of purchase. This redemption fee is not reflected in the returns shown above.*

The Fund intends to evaluate performance as compared to that of the performance of the MSCI USA Index (Net Returns). The MSCI USA Index (Net Returns) is a widely recognized index, designed to measure the performance of the large and mid-cap segments of the US market. With 625 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the US. You cannot invest directly into an index.

All mutual fund investing involves risk, including possible loss of principal.

# ARABESQUE SYSTEMATIC USA FUND

## **Fund Expense Disclosure March 31, 2018 (Unaudited)**

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, including redemption fees; and (2) ongoing costs, including management fees, distribution and/or service (Rule 12b-1) fees (if any) and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

This example is based on an investment of \$1,000 invested at the beginning of the six month period from October 1, 2017 through March 31, 2018 and held for the entire period.

### **Actual Expenses**

The first line of the accompanying table provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### **Hypothetical Example for Comparison Purposes**

The second line of the accompanying table provides information about hypothetical account values and hypothetical expenses based on a Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not your Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the accompanying table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line of the accompanying table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

# ARABESQUE SYSTEMATIC USA FUND

## Fund Expense Disclosure (Concluded) March 31, 2018 (Unaudited)

	Arabesque Systematic USA Fund		
	Beginning Account Value October 1, 2017	Ending Account Value March 31, 2018	Expenses Paid During Period*
Institutional Class			
Actual	\$1,000.00	\$1,079.90	\$4.93
Hypothetical (5% return before expenses)	1,000.00	1,020.19	4.78

\* Expenses are equal to an annualized expense ratio for the six-month period ended March 31, 2018 of 0.95% for the Institutional Class of the Fund, multiplied by the average account value over the period, multiplied by the number of days in the most recent period (182), then divided by 365 to reflect the period. The Fund's ending account value on the first line in the table is based on the actual six-month total returns for the Fund of 7.99% for Institutional Class shares.

# ARABESQUE SYSTEMATIC USA FUND

## Portfolio Holdings Summary Table March 31, 2018 (Unaudited)

The following table presents a summary by sector of the portfolio holdings of the Fund:

	<u>% of Net Assets</u>	<u>Value</u>
<b>COMMON STOCKS:</b>		
Technology .....	34.4%	\$ 8,704,688
Consumer, Non-cyclical .....	28.3	7,175,779
Consumer, Cyclical .....	9.5	2,411,768
Industrial .....	8.7	2,209,264
Communications .....	7.5	1,898,879
Financial .....	5.5	1,392,297
Energy .....	3.4	871,465
<b>Other Assets In Excess of Liabilities</b> .....	<u>2.7</u>	<u>679,105</u>
<b>NET ASSETS</b>	<u>100.0%</u>	<u>\$25,343,245</u>

Portfolio holdings are subject to change at any time.

The accompanying notes are an integral part of the financial statements.

# ARABESQUE SYSTEMATIC USA FUND

## Portfolio of Investments March 31, 2018 (Unaudited)

	Number of Shares	Value		Number of Shares	Value
<b>COMMON STOCKS — 97.3%</b>			<b>COMMON STOCKS — (Continued)</b>		
<b>Communications — 7.5%</b>			<b>Consumer, Non-cyclical — (Continued)</b>		
Imperva, Inc.* . . . . .	11,400	\$ 493,620	PRA Health Sciences, Inc.* . . . . .	5,700	\$ 472,872
Palo Alto Networks, Inc.* . . . . .	2,700	490,104	Quest Diagnostics, Inc. . . . .	1,700	170,510
Proofpoint, Inc.* . . . . .	4,700	534,155	S&P Global, Inc. . . . .	2,500	477,650
RingCentral, Inc., Class A* . . . . .	6,000	<u>381,000</u>	Thermo Fisher Scientific, Inc. . . . .	2,100	433,566
		<u>1,898,879</u>	WellCare Health Plans, Inc.* . . . . .	1,270	<u>245,910</u>
					<u>7,175,779</u>
<b>Consumer, Cyclical — 9.5%</b>			<b>Energy — 3.4%</b>		
Darden Restaurants, Inc. . . . .	4,200	358,050	ConocoPhillips. . . . .	7,600	450,604
Domino's Pizza, Inc. . . . .	2,200	513,832	Pioneer Natural Resources Co. . . . .	2,450	<u>420,861</u>
Home Depot, Inc. (The) . . . . .	2,360	420,646			<u>871,465</u>
McDonald's Corp. . . . .	2,400	375,312	<b>Financial — 5.5%</b>		
Ross Stores, Inc. . . . .	5,700	444,486	First Merchants Corp. . . . .	5,700	237,690
Thor Industries, Inc. . . . .	2,600	<u>299,442</u>	Progressive Corp. (The) . . . . .	5,500	335,115
		<u>2,411,768</u>	Visa, Inc., Class A . . . . .	4,250	508,385
<b>Consumer, Non-cyclical — 28.3%</b>			Zions Bancorporation. . . . .	5,900	<u>311,107</u>
Abbott Laboratories . . . . .	7,400	443,408			<u>1,392,297</u>
Align Technology, Inc.* . . . . .	1,860	467,102	<b>Industrial — 8.7%</b>		
Baxter International, Inc. . . . .	6,050	393,492	AO Smith Corp. . . . .	5,200	330,668
Becton Dickinson and Co. . . . .	1	118	Exponent, Inc. . . . .	3,000	235,950
Bright Horizons Family Solutions, Inc.* . . . . .	5,100	508,572	Illinois Tool Works, Inc. . . . .	2,650	415,149
Calavo Growers, Inc. . . . .	2,000	184,400	Masco Corp. . . . .	5,400	218,376
Chemed Corp. . . . .	1,000	272,860	Mettler-Toledo International, Inc.* . . . . .	690	396,771
Cintas Corp. . . . .	350	59,703	Nordson Corp. . . . .	1,900	259,046
Edwards Lifesciences Corp.* . . . . .	3,400	474,368	Waste Management, Inc. . . . .	4,200	<u>353,304</u>
Eli Lilly & Co. . . . .	5,100	394,587			<u>2,209,264</u>
FleetCor Technologies, Inc.* . . . . .	2,350	475,875	<b>Technology — 34.4%</b>		
Green Dot Corp., Class A* . . . . .	7,900	506,864	Adobe Systems, Inc.* . . . . .	2,400	518,592
IDEXX Laboratories, Inc.* . . . . .	2,400	459,336			
Insperty, Inc. . . . .	7,100	493,805			
Paylocity Holding Corp.* . . . . .	4,700	240,781			

The accompanying notes are an integral part of the financial statements.

# ARABESQUE SYSTEMATIC USA FUND

## Portfolio of Investments (Concluded) March 31, 2018 (Unaudited)

	Number of Shares	Value
<b>COMMON STOCKS — (Continued)</b>		
<b>Technology — (Continued)</b>		
Applied Materials, Inc. . . . .	9,000	\$ 500,490
Five9, Inc.* . . . . .	16,000	476,640
Fortinet, Inc.* . . . . .	9,700	519,726
HubSpot, Inc.* . . . . .	4,950	536,085
Lam Research Corp. . . . .	2,400	487,584
Microchip Technology, Inc. . .	4,100	374,576
Microsoft Corp. . . . .	4,600	419,842
MKS Instruments, Inc. . . . .	4,200	485,730
MSCI, Inc. . . . .	3,300	493,251
New Relic, Inc.* . . . . .	6,200	459,544
NVIDIA Corp. . . . .	2,000	463,180
ON Semiconductor Corp.* . . .	19,900	486,754
Paycom Software, Inc.* . . . .	5,000	536,950
Red Hat, Inc.* . . . . .	600	89,706
salesforce.com, Inc.* . . . . .	4,200	488,460
ServiceNow, Inc.* . . . . .	3,000	496,350
Silicon Laboratories, Inc.* . .	4,000	359,600
Splunk, Inc.* . . . . .	5,200	511,628
		8,704,688
 TOTAL COMMON STOCKS . . . . .		
(Cost \$22,738,163) . . . . .		24,664,140
 TOTAL INVESTMENTS - 97.3% . . . . .		
(Cost \$22,738,163) . . . . .		24,664,140
 OTHER ASSETS IN EXCESS OF LIABILITIES - 2.7% . . . . .		679,105
 NET ASSETS - 100.0% . . . . .		\$ 25,343,245

\* Non-income producing.

The accompanying notes are an integral part of the financial statements.

# ARABESQUE SYSTEMATIC USA FUND

## Statement of Assets and Liabilities March 31, 2018 (Unaudited)

### Assets

Investments, at value (Cost \$22,738,163) .....	\$24,664,140
Cash .....	714,140
Receivable for investments sold .....	723,698
Receivable for capital shares sold .....	103,229
Dividends receivable .....	7,269
Deferred offering costs (Note 1) .....	1,870
Prepaid expenses and other assets .....	25,464
Total assets .....	26,239,810

### Liabilities

Payable for investments purchased .....	838,522
Payable for capital shares redeemed .....	13,776
Payable for audit fees .....	8,407
Payable for printing fees .....	7,939
Payable for administration and accounting fees .....	7,478
Payable to Adviser .....	5,807
Payable for custodian fees .....	5,027
Payable for transfer agent fees .....	4,768
Payable for legal fees .....	4,121
Accrued expenses .....	720
Total liabilities .....	896,565

Net Assets .....	\$25,343,245
------------------	--------------

### Net Assets Consisted of:

Capital stock, \$0.01 par value .....	\$ 22,266
Paid-in capital .....	23,496,865
Accumulated net investment loss .....	(13,406)
Accumulated net realized loss from investments .....	(88,457)
Net unrealized appreciation on investments .....	1,925,977

Net Assets .....	\$25,343,245
------------------	--------------

### Institutional Class:

Shares outstanding .....	2,226,634
Net asset value, offering and redemption price per share (\$25,343,245 / 2,226,634 shares) .....	\$ 11.38

The accompanying notes are an integral part of the financial statements.

# ARABESQUE SYSTEMATIC USA FUND

## Statement of Operations For the Six Months Ended March 31, 2018 (Unaudited)

<b>Investment Income</b>	
Dividends .....	\$ 84,260
Total investment income .....	<u>84,260</u>
<b>Expenses</b>	
Advisory fees (Note 2) .....	75,410
Administration and accounting fees (Note 2) .....	37,479
Legal fees .....	14,576
Transfer agent fees (Note 2) .....	13,662
Registration and filing fees .....	11,586
Offering expenses .....	10,964
Audit fees .....	10,934
Custodian fees (Note 2) .....	10,333
Trustees' and officers' fees (Note 2) .....	9,267
Printing and shareholder reporting fees .....	7,899
Other expenses .....	3,897
Total expenses before waivers and reimbursements .....	<u>206,007</u>
Less: waivers and reimbursements (Note 2) .....	<u>(110,142)</u>
Net expenses after waivers and reimbursements .....	<u>95,865</u>
Net investment loss .....	<u>(11,605)</u>
<b>Net realized and unrealized gain/(loss) from investments:</b>	
Net realized gain from investments .....	198,358
Net change in unrealized appreciation/(depreciation) on investments .....	1,025,077
Net realized and unrealized gain on investments .....	<u>1,223,435</u>
<b>Net increase in net assets resulting from operations .....</b>	<u><u>\$1,211,830</u></u>

The accompanying notes are an integral part of the financial statements.



# ARABESQUE SYSTEMATIC USA FUND

## Statement of Changes in Net Assets

	<b>For the Six Months Ended March 31, 2018 (Unaudited)</b>	<b>For the Period Ended September 30, 2017*</b>
<b>Increase/(Decrease) in Net Assets from Operations:</b>		
Net investment loss .....	\$ (11,605)	\$ (7,557)
Net realized gain/(loss) from investments .....	198,358	(286,815)
Net change in unrealized appreciation/(depreciation) on investments .....	<u>1,025,077</u>	<u>900,900</u>
Net increase in net assets resulting from operations .....	<u>1,211,830</u>	<u>606,528</u>
 <b>Less Dividends and Distributions to Shareholders from:</b>		
Institutional Class:		
Net investment income .....	<u>(3,400)</u>	<u>—</u>
Net decrease in net assets from dividends and distributions to shareholders .....	<u>(3,400)</u>	<u>—</u>
<b>Increase in Net Assets Derived from Capital Share Transactions (Note 4) .....</b>	<u>9,021,280</u>	<u>14,507,007</u>
Total increase in net assets .....	<u>10,229,710</u>	<u>15,113,535</u>
<b>Net assets</b>		
Beginning of period .....	<u>15,113,535</u>	<u>—</u>
End of period .....	<u>\$ 25,343,245</u>	<u>\$15,113,535</u>
Accumulated net investment income/(loss), end of period .....	<u>\$ (13,406)</u>	<u>\$ 1,599</u>

\* The Arabesque Systematic USA Fund commenced operations on May 3, 2017.

The accompanying notes are an integral part of the financial statements.

# ARABESQUE SYSTEMATIC USA FUND

## Financial Highlights

Contained below is per share operating performance data for Institutional Class shares outstanding, total investment return, ratios to average net assets and other supplemental data for the respective period. The total returns in the table represent the rate that an investor would have earned or lost on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information has been derived from information provided in the financial statements and should be read in conjunction with the financial statements and the notes thereto.

	<b>Institutional Class</b>	
	<b>For the Six Months Ended March 31, 2018 (Unaudited)</b>	<b>For the Period May 3, 2017*to September 30, 2017</b>
<b>Per Share Operating Performance</b>		
Net asset value, beginning of period .....	\$ 10.54	\$ 10.00
Net investment loss <sup>(1)</sup> .....	(0.01)	(0.01)
Net realized and unrealized gain on investments .....	0.85	0.55
Net increase in net assets resulting from operations .....	0.84	0.54
Dividends and distributions to shareholders from:		
Net investment income .....	— <sup>(2)</sup>	—
Net asset value, end of period .....	\$ 11.38	\$ 10.54
Total investment return <sup>(3)</sup> .....	7.99%	5.40%
<b>Ratios/Supplemental Data</b>		
Net assets, end of period (in thousands) .....	\$25,343	\$15,114
Ratio of expenses to average net assets .....	0.95% <sup>(4)</sup>	0.95% <sup>(4)</sup>
Ratio of expenses to average net assets without waivers and expense reimbursements <sup>(5)</sup> .....	2.05% <sup>(4)</sup>	3.25% <sup>(4)</sup>
Ratio of net investment loss to average net assets .....	(0.12)% <sup>(4)</sup>	(0.16)% <sup>(4)</sup>
Portfolio turnover rate .....	111.00% <sup>(6)</sup>	82.18% <sup>(6)</sup>

\* Commencement of operations.

(1) The selected per share data was calculated using the average shares outstanding method for the period.

(2) Amount is less than \$0.005 per share.

(3) Total investment return is calculated assuming a purchase of shares on the first day and a sale of shares on the last day of each period reported and includes reinvestments of dividends and distributions, if any. Total returns for periods less than one year are not annualized.

(4) Annualized.

(5) During the period, certain fees were waived and/or reimbursed. If such fee waivers and/or reimbursements had not occurred, the ratios would have been as indicated (See Note 2).

(6) Not annualized.

The accompanying notes are an integral part of the financial statements.

# ARABESQUE SYSTEMATIC USA FUND

## Notes to Financial Statements March 31, 2018 (Unaudited)

### 1. Organization and Significant Accounting Policies

The Arabesque Systematic USA Fund (the “Fund”) is a diversified, open-end management investment company registered under the Investment Company Act of 1940, as amended, (the “1940 Act”), which commenced investment operations on May 3, 2017. The Fund is a separate series of FundVantage Trust (the “Trust”) which was organized as a Delaware statutory trust on August 28, 2006. The Trust is a “series trust” authorized to issue an unlimited number of separate series or classes of shares of beneficial interest. Each series is treated as a separate entity for certain matters under the 1940 Act, and for other purposes, and a shareholder of one series is not deemed to be a shareholder of any other series. The Fund offers two separate classes of shares, Investor Class and Institutional Class shares. As of March 31, 2018, Investor Class shares had not been issued.

The Fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board Accounting Standards Codification Topic 946.

**Portfolio Valuation** — The Fund’s net asset value (“NAV”) is calculated once daily at the close of regular trading hours on the New York Stock Exchange (“NYSE”) (typically 4:00 p.m. Eastern time) on each day the NYSE is open. Securities held by the Fund are valued using the closing price or the last sale price on a national securities exchange or the National Association of Securities Dealers Automatic Quotation System (“NASDAQ”) market system where they are primarily traded. The Fund’s equity securities listed on any national or foreign exchange market system will be valued at the last sale price. Equity securities traded in the over-the-counter market are valued at their closing sale or official closing price. If there were no transactions on that day, securities traded principally on an exchange will be valued at the mean of the last bid and ask prices prior to the market close. Prices for equity securities normally are supplied by an independent pricing service approved by the Trust’s Board of Trustees. Fixed income securities are valued based on market quotations, which are furnished by an independent pricing service. Fixed income securities having remaining maturities of 60 days or less are generally valued at amortized cost, provided such amount approximates fair value. Any assets held by the Fund that are denominated in foreign currencies are valued daily in U.S. dollars at the foreign currency exchange rates that are prevailing at the time that the Fund determines the daily NAV per share. Foreign securities may trade on weekends or other days when the Fund does not calculate NAV. As a result, the market value of these investments may change on days when you cannot buy or sell shares of the Fund. Investments in other open-end investment companies are valued based on the NAV of such investment companies (which may use fair value pricing as disclosed in their prospectuses). Securities that do not have a readily available current market value are valued in accordance with procedures adopted by the Trust’s Board of Trustees. The Board of Trustees has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available and has delegated to Arabesque (“Arabesque” or the “Adviser”) the responsibility for applying the valuation methods. Relying on prices supplied by pricing services or dealers or using fair valuation may result in values that are higher or lower than the values used by other investment companies and investors to price the same investments. In the event that market quotes are

# ARABESQUE SYSTEMATIC USA FUND

## Notes to Financial Statements March 31, 2018 (Unaudited)

not readily available, and the security or asset cannot be valued pursuant to one of the valuation methods, the value of the security or asset will be determined in good faith by the Adviser. The Trust has established a Valuation Committee which performs certain functions including the oversight of the Adviser's fair valuation determinations.

**Fair Value Measurements** — The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy below:

- Level 1 — quoted prices in active markets for identical securities;
- Level 2 — other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 — significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used, as of March 31, 2018, in valuing the Fund's investments carried at fair value:

	Total Value at 03/31/18	Level 1 Quoted Price	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Common Stocks* .....	<u>\$24,664,140</u>	<u>\$24,664,140</u>	<u>\$ —</u>	<u>\$ —</u>

\* Please refer to Portfolio of Investments for further details on portfolio holdings.

At the end of each quarter, management evaluates the classification of Levels 1, 2 and 3 assets and liabilities. Various factors are considered, such as changes in liquidity from the prior reporting period; whether or not a broker is willing to execute at the quoted price; the depth and consistency of prices from third party pricing services; and the existence of contemporaneous, observable trades in the market. Additionally, management evaluates the classification of Level 1 and Level 2 assets and liabilities on a quarterly basis for changes in listings or delistings on national exchanges.

Due to the inherent uncertainty of determining the fair value of investments that do not have a readily available market value, the fair value of the Fund's investments may fluctuate from period to period. Additionally, the fair value of investments may differ significantly from the values that would have been used had a ready market existed for such investments and may differ materially from the values the Fund

# ARABESQUE SYSTEMATIC USA FUND

## Notes to Financial Statements March 31, 2018 (Unaudited)

may ultimately realize. Further, such investments may be subject to legal and other restrictions on resale or otherwise less liquid than publicly traded securities.

For fair valuations using significant unobservable inputs, U.S. generally accepted accounting principles (“U.S. GAAP”) require the Fund to present a reconciliation of the beginning to ending balances for reported market values that present changes attributable to total realized and unrealized gains or losses, purchase and sales, and transfers in and out of Level 3 during the period. Transfers in and out between Levels are based on values at the end of the period. U.S. GAAP also requires the Fund to disclose amounts and reasons for all transfers in and out of Level 1 and Level 2 fair value measurements. A reconciliation of Level 3 investments is presented only when the Fund had an amount of Level 3 investments at the end of the reporting period that was meaningful in relation to its net assets. The amounts and reasons for all transfers in and out of each Level within the three-tier hierarchy are disclosed when the Fund had an amount of total transfers during the reporting period that was meaningful in relation to its net assets as of the end of the reporting period.

For the period ended March 31, 2018, there were no transfers between Levels 1, 2 and 3 for the Fund.

**Use of Estimates** — The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates and those differences could be material.

**Investment Transactions, Investment Income and Expenses** — Investment transactions are recorded on trade date for financial statement preparation purposes. Realized gains and losses on investments sold are recorded on the identified cost basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. General expenses of the Trust are generally allocated to each fund in proportion to its relative daily net assets. Expenses directly attributable to a particular fund in the Trust are charged directly to that fund.

**Deferred Offering Costs** — Offering costs, including costs of printing initial prospectus and legal fees, are amortized over twelve-months from inception of the Fund. As of March 31, 2018, the remaining amount still to be amortized for the Fund was \$1,870.

**Dividends and Distributions to Shareholders** — Dividends from net investment income and distributions from net realized capital gains, if any, are declared, recorded on ex-date and paid at least annually to shareholders. Income dividends and capital gain distributions are determined in accordance with U.S. federal income tax regulations, which may differ from U.S. GAAP. These differences may include the treatment of non-taxable dividends, expiring capital loss carryforwards and losses deferred due to wash

# ARABESQUE SYSTEMATIC USA FUND

## Notes to Financial Statements March 31, 2018 (Unaudited)

sales and excise tax regulations. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications within the components of net assets.

**U.S. Tax Status** — No provision is made for U.S. income taxes as it is the Fund’s intention to qualify for and elect the tax treatment applicable to regulated investment companies under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), and make the requisite distributions to its shareholders which will be sufficient to relieve it from U.S. income and excise taxes.

**Other** — In the normal course of business, the Fund may enter into contracts that provide general indemnifications. The Fund’s maximum exposure under these arrangements is dependent on claims that may be made against the Fund in the future, and therefore, cannot be estimated; however, based on experience, the risk of material loss for such claims is considered remote.

**Recent Accounting Pronouncement** — On August 1, 2017, the Fund implemented amendments to Regulation S-X, issued by the Securities and Exchange Commission, which require standardized, enhanced disclosures, particularly related to derivatives, in investment company financial statements. Adoption had no effect on the Fund’s net assets or results of operations.

## 2. Transactions with Related Parties and Other Service Providers

Arabesque serves as investment adviser to the Fund pursuant to an investment advisory agreement with the Trust. For its services, the Adviser is paid a monthly fee at the annual rate of 0.75% of the Fund’s average daily net assets. The Adviser has contractually agreed to reduce its investment advisory fee and/or reimburse certain expenses of the Fund to the extent necessary to ensure that the Fund’s total operating expenses (excluding taxes, dividend and interest expense on securities sold short, interest, extraordinary items, “Acquired Fund Fees and Expenses” and brokerage commissions) do not exceed 0.95% (on an annual basis) with respect to the Fund’s average daily net assets of the Institutional Class (the “Expense Limitation”). The Expense Limitation will remain in place until August 31, 2020, unless the Board of Trustees of FundVantage Trust (the “Trust”) approves its earlier termination. The Adviser is entitled to recover, subject to approval by the Board of Trustees, such amounts reduced or reimbursed for a period of up to three (3) years from the year in which the Adviser reduced its compensation and/or assumed expenses for the Fund. No recoupment will occur unless the Fund’s expenses are below the Expense Limitation amount that was in effect at the time of the Expense Limitation. As of March 31, 2018, the amount of potential recovery was as follows:

	Expiration	
<u>September 30, 2020</u>	<u>September 30, 2021</u>	<u>Total</u>
\$70,327	\$70,010	\$140,337

# ARABESQUE SYSTEMATIC USA FUND

## **Notes to Financial Statements March 31, 2018 (Unaudited)**

For the six month period ended March 31, 2018, the Adviser earned advisory fees of \$75,410 and waived fees and reimbursed expenses of \$70,010.

### **Other Service Providers**

The Bank of New York Mellon (“BNY Mellon”) serves as administrator and custodian for the Fund. For providing administrative and accounting services, BNY Mellon is entitled to receive a monthly fee equal to an annual percentage rate of the Fund’s average daily net assets and is subject to certain minimum monthly fees. For providing certain custodial services, BNY Mellon is entitled to receive a monthly fee, subject to certain minimum, and out of pocket expenses. For the six month period ended March 31, 2018, BNY Mellon accrued administration and accounting fees totaling \$37,479 and waived fees totaling \$25,773. For the six month period ended March 31, 2018, BNY Mellon accrued custodian fees totaling \$10,333 and waived fees totaling \$5,523.

BNY Mellon Investment Servicing (US) Inc. (the “Transfer Agent”) provides transfer agent services to the Fund. The Transfer Agent is entitled to receive a monthly fee, subject to certain minimum, and out of pocket expenses. For the six month period ended March 31, 2018, BNY Mellon accrued transfer agent fees totaling \$13,662 and waived fees totaling \$8,836.

BNY Mellon and the Transfer Agent have the ability to recover such amounts previously waived, if the Fund terminates its agreements with BNY Mellon or the Transfer Agent within three years of signing the agreements.

Foreside Funds Distributors LLC (the “Underwriter”) provides principal underwriting services to the Fund pursuant to an underwriting agreement between the Trust and the Underwriter.

### **Trustees and Officers**

The Trust is governed by its Board of Trustees. The Trustees receive compensation in the form of an annual retainer and per meeting fees for their services to the Trust. The remuneration paid to the Trustees by the Fund during the period ended March 31, 2018 was \$3,034. An employee of BNY Mellon serves as the Secretary of the Trust and is not compensated by the Fund or the Trust.

JW Fund Management LLC (“JWFM”) provides a Principal Executive Officer and Principal Financial Officer, respectively, to the Trust. JWFM is compensated for the services provided to the Trust.

Freeh Group International Solutions, LLC provides the Trust with a Chief Compliance Officer and an Anti-Money Laundering Officer.

# ARABESQUE SYSTEMATIC USA FUND

## Notes to Financial Statements March 31, 2018 (Unaudited)

### 3. Investment in Securities

For the six months ended March 31, 2018, aggregate purchases and sales of investment securities (excluding short-term investments) of the Fund were as follows:

	<u>Purchases</u>	<u>Sales</u>
Investment Securities .....	\$30,377,415	\$21,663,952

### 4. Capital Share Transactions

For the six months ended March 31, 2018 and for the period ended September 30, 2017, transactions in capital shares of the Fund (authorized shares unlimited) were as follows:

	<u>For the Six Months Ended March 31, 2018</u>		<u>For the Period Ended September 30, 2017</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
Institutional Class				
Sales .....	965,741	\$11,005,173	1,462,795	\$14,798,773
Reinvestments .....	261	2,890	—	—
Redemption Fees* .....	—	170	—	—
Redemptions .....	<u>(173,873)</u>	<u>(1,986,953)</u>	<u>(28,290)</u>	<u>(291,766)</u>
Net increase .....	<u>792,129</u>	<u>\$ 9,021,280</u>	<u>1,434,505</u>	<u>\$14,507,007</u>

\* There is a 1.00% redemption fee that may be charged on shares redeemed which have been held for 30 days or less. The redemption fee is retained by the Fund for the benefit of the remaining shareholders and recorded as paid-in capital.

### 5. Federal Tax Information

The Fund has followed the authoritative guidance on accounting for and disclosure of uncertainty in tax positions, which requires the Fund to determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as tax benefit or expense in the current year. The Fund has determined that there was no effect on the financial statements from following this authoritative guidance. In the normal course of business, the Fund is subject to examination by federal, state and local jurisdictions, where applicable, for tax years for which applicable statutes of limitations have not expired.

Distributions are determined in accordance with federal income tax regulations, which may differ in amount or character from net investment income and realized gains for financial reporting purposes.



# ARABESQUE SYSTEMATIC USA FUND

## Notes to Financial Statements (Concluded) March 31, 2018 (Unaudited)

During the period from May 3, 2017, commencement of operations, to September 30, 2017, the Fund had no distributions from ordinary income or long-term capital gains.

As of September 30, 2017, the components of distributable earnings on a tax basis were as follows:

<u>Capital Loss Carryforward</u>	<u>Undistributed Ordinary Income</u>	<u>Undistributed Long-Term Gain</u>	<u>Unrealized Appreciation</u>	<u>Qualified Late-Year Losses</u>
\$(286,815)	\$1,599	\$—	\$900,900	\$—

As of March 31, 2018, the federal tax cost, aggregate gross unrealized appreciation and depreciation of securities held by the Fund were as follows:

Federal tax cost* . . . . .	<u>\$22,738,163</u>
Gross unrealized appreciation. . . . .	\$ 2,150,409
Gross unrealized depreciation. . . . .	<u>(224,432)</u>
Net unrealized appreciation. . . . .	<u>\$ 1,925,977</u>

\* Because tax adjustments are calculated annually at the end of the Fund's fiscal year, the above table does not reflect tax adjustments for the current fiscal year. For the previous year's federal income tax information, please refer to the Notes to Financial Statements section in the Fund's most recent annual report.

Pursuant to federal income tax rules applicable to regulated investment companies, the Fund may elect to treat certain net capital losses between November 1 and September 30 and late year ordinary losses ((i) ordinary losses between January 1 and September 30, and (ii) specified ordinary and currency losses between November 1 and September 30) as occurring on the first day of the following tax year. For the period ended September 30, 2017, any amount of losses elected within the tax return will not be recognized for federal income tax purposes until October 1, 2017. As of September 30, 2017, the Fund had no capital loss deferrals and no late year ordinary loss deferrals.

Accumulated capital losses represent net capital loss carryforwards as of September 30, 2017 that may be available to offset future realized capital gains and thereby reduce future capital gains distributions. As of September 30, 2017, the Fund had capital loss carryforwards of \$286,815, of which all are short-term losses.

## 6. Subsequent Events

Management has evaluated the impact of all subsequent events on the Fund through the date the financial statements were issued and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

# ARABESQUE SYSTEMATIC USA FUND

## **Other Information (Unaudited)**

### **Proxy Voting**

Policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities as well as information regarding how the Fund voted proxies relating to portfolio securities for the most recent 12-month period ended June 30 are available without charge, upon request, by calling (844) 567-2134 and on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

### **Quarterly Portfolio Schedules**

The Trust files its complete schedule of portfolio holdings with the SEC for the first and third fiscal quarters of each fiscal year (quarters ended December 31 and June 30) on Form N-Q. The Trust's Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330.

[THIS PAGE INTENTIONALLY LEFT BLANK.]

**Investment Adviser**

Arabesque Asset Management Ltd  
43 Grosvenor Street  
London W1K 3HL  
England  
The United Kingdom

**Administrator**

The Bank of New York Mellon  
301 Bellevue Parkway  
Wilmington, DE 19809

**Transfer Agent**

BNY Mellon Investment Servicing (US) Inc.  
4400 Computer Drive  
Westborough, MA 01581

**Principal Underwriter**

Forside Funds Distributors LLC  
400 Berwyn Park  
899 Cassatt Road  
Berwyn, PA 19312

**Custodian**

The Bank of New York Mellon  
225 Liberty Street  
New York, NY 10286

**Independent Registered Public Accounting Firm**

Ernst & Young LLP  
One Commerce Square  
2005 Market Street, Suite 700  
Philadelphia, PA 19103-7096

**Legal Counsel**

Pepper Hamilton LLP  
3000 Two Logan Square  
18th and Arch Streets  
Philadelphia, PA 19103



# **ARABESQUE SYSTEMATIC USA FUND**

*of*

**FundVantage Trust**

Institutional Class

## **SEMI-ANNUAL REPORT**

March 31, 2018  
(Unaudited)

This report is submitted for the general information of the shareholders of the Arabesque Systematic USA Fund. It is not authorized for distribution unless preceded or accompanied by a current prospectus for the Arabesque Systematic USA Fund.