

	A-Shares	B-Shares
NAV in USD	212.19	215.21
MTD return	5.85%	5.90%
YTD return	11.01%	11.38%
Net AuM	USD 56.8 m	
Morningstar Rating™	★★★★★	

Manager's comment

In September we earned 5.9%, bringing our NAV to its highest level ever so that we now earned 115% since inception and 11.4% in 2017. In a month without major company-specific news we slightly underperformed our benchmark by 0.2%. Our beta of 1.37 is slightly below the beta of the Russell 2000 while our volatility is very similar. We outperform our benchmark by 1.5% this year.

This month small caps, who had been lagging large caps this year, made a strong comeback with the Russell 2000 beating the S&P 500 by 4.2%. The rally in small stocks also meant that we are now this year beating large cap buyback funds such as Powershare Buyback an KBC Buyback America.

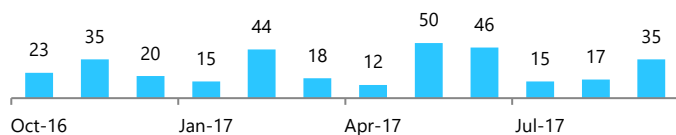
Occasionally buybacks are criticized by practitioners, politicians, journalists and others not familiar with finance theory or the empirical evidence. An excellent rebuttal "The case for Buybacks" was published this month in the Harvard Business Review by Alex Edmans, a Finance professor at the London Business School. The article that quotes our research can be found on the HBR website and ours.

This month we sold Universal Corporation and bought Tegna Corporation.

Fund strategy

The PV Buyback USA Fund is a long-only fund focused on small and mid caps listed on the US equity market. It invests in companies announcing share buyback programs to take advantage of an undervalued stock price. To identify those firms where the repurchase is most likely motivated by undervaluation, the Fund has developed a systematic approach. Fund managers are highly experienced and have a strong track record in developing and implementing this investment strategy.

Number of buyback announcements²



Risk metrics

Indicators	PV Buyback USA	Russell 2000
Daily annualized volatility ³	15.9%	16.1%
Maximum drawdown	-20.5%	-24.1%
Beta versus S&P 500	1.37	1.44
Sharpe ratio ⁴	0.80	0.58
Information ratio ⁴	0.63	-
Tracking error	5.62%	-

Fund facts

Fund name	DIM Funds SICAV SA – PV Buyback USA	
Legal structure	UCITS V	
Management comp.	Degroof Petercam Asset Services	
Domicile	Luxembourg (CSSF regulated)	
Geography	US listed stocks	
Asset classes	Equity	
Strategy	Directional long-only	
Style	Value, event driven situations	
Reference	Russell 2000	
High	Yes, trailing 2 years	
Investment	Theo Vermaelen and Urs Peyer	
Fund administrator	Banque Degroof Petercam Luxembourg	
Share class	A-Shares	B-Shares
Management fee	150 bps	100 bps
Performance fee	10 % of the outperf.	10 % of the outperf.
Minimum investment	None	USD 250,000
Liquidity	Daily, 1 day notice	Daily, 1 day notice
ISIN	LU1149046275	LU0630248994
Ticker	DIPBAUS LX Equity	DIPVBA LX Equity

Notes: 1 Daily NAV as of 30/9/2017 | 2 USA Buybacks: www.theonlineinvestor.com | 3 Trailing one year | 4 Calculated based on return since inception

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Performance vs. Benchmark



Performance period	PV BB USA - B	Russell 2000	Outperformance
September 2017	5.9%	6.1%	-0.2%
Year-to-date	11.4%	9.9%	1.5%
3-year annualized	12.6%	10.0%	2.6%
5-year annualized	16.7%	12.2%	4.5%
2016	20.8%	19.5%	1.3%
2015	5.4%	3.5%	1.8%
2014	49.3%	39.8%	9.5%

Portfolio breakdown

Sector	# of positions	Avg. Market Cap.
Hardware	16	835 m
Software	14	426 m
Financials	11	507 m
Industrials	10	706 m
Health Care	9	1290 m
Cons. Discretionary	9	1116 m
Materials	5	818 m
Semiconductors	5	1111 m
Energy	4	548 m
Telecom	3	364 m
Cons. Staples	0	-
TOTAL	86	774 m

Industry exposure

