

	A-Shares	B-Shares
NAV in USD	216.21	219.55
MTD return	-0.46%	-0.42%
YTD return	13.11%	13.63%
Net AuM	USD 56.1 m	
Morningstar Rating™	★★★★★	

Manager's comment

During the last month of the year we lost 0.42%, slightly outperforming our benchmark the Russell 2000 by 0.15%. As a result, in 2017 we earned 13.65 % outperforming our benchmark by 0.5 %. Our volatility and beta remain at similar levels of the Russell 2000. This month we sold Griffon and bought Surgery Partners.

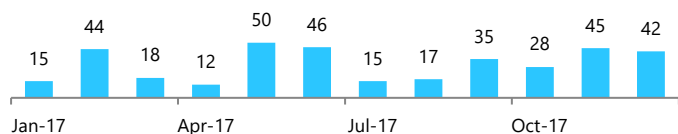
2017 was the worst year for small value stocks in history. The Russell 2k Value Index underperformed the Russell 2k Growth Index by 15.5% compared to only 1.5 % pa on average over the last 10 years. With an average market-to-book ratio of 1.38, below the ratio of the Russell 2k Value index (1.60), the performance of the fund was largely affected by its value bias.

We are looking forward to 2018. The lowering of corporate taxes and the resulting fiscal stimulus should herald a good year for earnings and the stock market. Unemployment is at a 17-year low and business confidence is at a 17-year high. The increase in profitability as a result of lower taxes and less regulation should also generate excess cash and debt capacity to allow more firms to take advantage of mispricing through buybacks. We wish all our loyal investors a happy 2018.

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	11.3%	9.9%
Maximum drawdown	-20.5%	-24.1%
Beta versus S&P 500	1.38	1.42
Sharpe ratio ⁴	1.12	0.94
Information ratio ⁴	0.57	
Tracking error	5.67%	

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 29/12/2017 | 2 USA Buybacks; www.theonlineinvestor.com | 3 Trailing one year | 4 Calculated based on return since inception

Disclaimer: This material is for your information only and we are not soliciting any action upon it. Prospective investors should rely on the DIM Funds SICAV SA prospectus and KIID when considering an investment in this fund. This report is not to be construed as an offer to sell or buy any security in any jurisdiction where such an offer or solicitation would be illegal. The material is based upon information that we consider reliable, but we do not represent that it is accurate or complete. Opinions expressed are our current opinions as of the date appearing on this material.

© 2015 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Performance vs. Benchmark



Performance period	PV BB USA - B	Russell 2000	Outperformance
December 2017	-0.4%	-0.6%	0.1%
Year-to-date	13.6%	13.1%	0.5%
3-year annualized	11.3%	8.0%	3.3%
5-year annualized	16.6%	13.0%	3.5%
2016	20.8%	19.5%	1.3%
2015	1.0%	-5.7%	6.7%
2014	5.4%	3.5%	1.8%

Portfolio breakdown

Sector	# of positions	Avg. Market Cap.
Hardware	17	950 m
Software	15	478 m
Health Care	11	1354 m
Financials	10	494 m
Industrials	9	662 m
Cons. Discretionary	8	992 m
Semiconductors	6	906 m
Materials	5	835 m
Energy	4	527 m
Telecom	2	529 m
Cons. Staples	0	-
TOTAL	87	803 m

Industry exposure

