

	A-Shares	B-Shares
NAV in USD	228.36	232.82
MTD return	-9.14%	-9.10%
YTD return	5.62%	6.04%
Net AuM	USD 66.9 m	
Morningstar Rating™	★★★★★	

Manager's comment

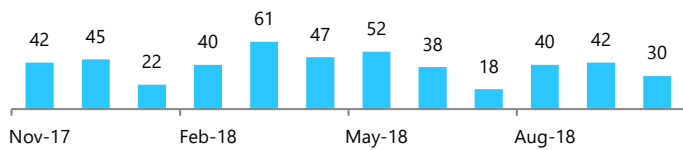
October was one of the worst months in stock market history and we lost 9.1%. A small consolation is that we beat our benchmark the Russell 2000 by 1.8%. We remain in positive territory in 2018 with a return of 6.0%, which is 7.6% above our benchmark.

Reasons for this spectacular decline are unclear. The media narrative is full of suspects, i.e. rising interest rates, China tariffs, concerns about either a Blue Wave (which will cut growth) or a Red Wave (which will increase the deficit and interest rates) in the November midterm elections, and above all the fact that some big companies such as Amazon have reported disappointing revenues. So far 17 firms in our portfolio have reported quarterly earnings and 70 % met or beat earnings and sales estimates, not much different from the past. So, the earnings disappointment of these large players does not seem to influence the typical company in our portfolio, so we are at a loss to explain why we are dragged down with the big boys. Especially considering other good news received by some of our companies, including Irobot that announced an alliance with Google. This month we bought Hanmi Financial Corporation and sold Kraton industries.

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	14.9%	15.7%
Maximum drawdown	-20.5%	-24.1%
Beta versus S&P 500	0.87	0.92
Sharpe ratio ⁴	0.76	0.47
Information ratio ⁴	0.71	-
Tracking error	5.56%	-

Fund facts

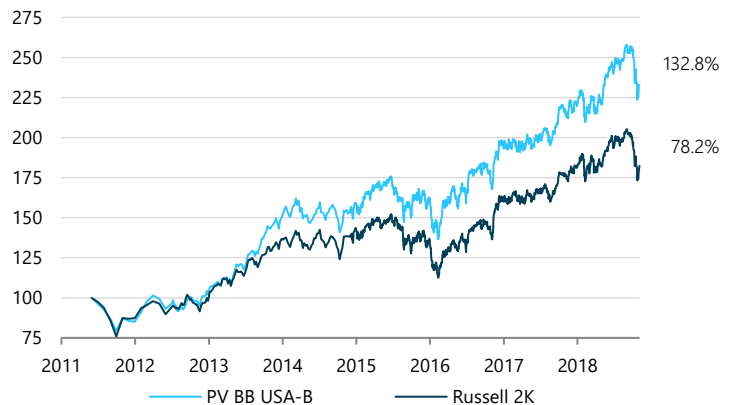
Fund name	DIM Funds SICAV SA – PV Buyback USA	
Legal structure	UCITS V	
Management comp.	Degroof Petercam Asset Services	
Domicile	Luxembourg (CSSF regulated)	
Geography	US listed stocks	
Asset classes	Equity	
Strategy	Directional long-only	
Style	Value, event driven situations	
Reference	Russell 2000	
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	DIPVBAA LX Equity

Notes: 1 Daily NAV as of 31/10/2018 | 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
October 2018	-9.1%	-10.9%	1.8%
Year-to-date	6.0%	-1.6%	7.6%
3-year annualized	13.1%	9.2%	3.9%
5-year annualized	10.2%	6.2%	3.9%
2017	13.6%	13.1%	0.5%
2016	20.8%	19.5%	1.3%
2015	1.0%	-5.7%	6.7%

Portfolio breakdown

Sector	# of positions	Avg. Market Cap.
Hardware	15	533 m
Health Care	12	1694 m
Industrials	10	744 m
Financials	10	518 m
Software	8	1136 m
Semiconductors	8	1183 m
Telecom	7	802 m
Energy	6	772 m
Cons. Discretionary	5	803 m
Materials	4	482 m
Cons. Staples	0	-
TOTAL	85	895 m

Industry exposure

