

	A-Shares	B-Shares
NAV in USD	228.62	233.57
MTD return	-4.00%	-3.96%
YTD return	14.51%	14.65%
Net AuM	USD 88.2 m	
Morningstar Rating™	★★★★	

Manager's comment

In March we lost 4.0% underperforming our benchmark the Russell 2000 by 1.7%. It was also a poor month for small stocks lagging the S&P 500 by 3.4%. As a result, our return and alpha for the year was reduced to respectively 0.5% and 0.2%.

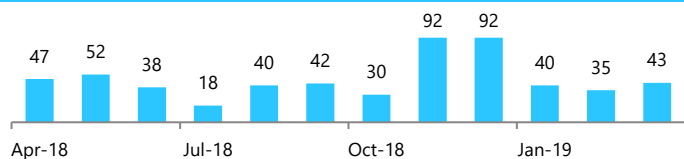
As this was a month without much company specific news we cannot point at specific news that can be blamed for the poor performance. Perhaps all the talk of an inverted yield curve hit us disproportionately as it did in December last year. The inverted yield curve theory says that when the 3-month T-bill rate falls below the 10-year government bond rate there will be a recession within the next 2 years. It is true that the yield curve turned negative in the fall of 2006, two years before the recession. But it also turned positive in 2007 up until right before the crisis. The theory assumes that the bond market knew in September 2006 that two years later Lehman would default and trigger a big financial crisis. An alternative interpretation is that long-term interest rates fall because people expect lower inflation and/or lower real interest rates which lowers the cost of capital, which should be good news.

This month we sold Omnova solutions and bought Home Bank Shares. There were 43 new buyback announcements.

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	20.7%	19.2%
Maximum drawdown	-25.1%	-26.2%
Beta versus S&P 500	1.02	1.01
Sharpe ratio ⁴	0.53	0.38
Information ratio ⁴	0.65	
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 29/3/2019 | 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
March 2019	-4.0%	-2.3%	-1.7%
Year-to-date	14.7%	14.2%	0.5%
3-year annualized	12.9%	11.6%	1.3%
5-year annualized	8.7%	6.0%	2.8%
2018	-7.2%	-12.2%	5.0%
2017	13.6%	13.1%	0.5%
2016	20.8%	19.5%	1.3%

Portfolio breakdown

Sector	# of positions	Avg. Market Cap.
Hardware	16	577 m
Health Care	12	1483 m
Industrials	12	507 m
Semiconductors	11	1348 m
Cons. Discretionary	9	835 m
Software	9	1201 m
Financials	8	818 m
Telecom	7	915 m
Energy	6	563 m
Materials	3	264 m
Cons. Staples	1	585 m
TOTAL	94	892 m

Industry exposure

