

The Composite increased 7.59%, net of fees, compared to an 8.01% increase in the Morningstar Global Markets Index.

Most sectors contributed to absolute return, led by the consumer discretionary sector. The information technology and consumer staples sectors were also significant contributors.

The Composite's underperformance relative to the Index was primarily driven by security selection in the industrials sector and an overweight allocation to the financials sector. Security selection and an overweight position in the consumer discretionary sector, and no exposure to the energy sector were the largest contributors to relative return.

Market returns during the third quarter were broadly positive, although individual country returns were mixed. The U.S. dollar depreciated modestly against major currencies, while government bond yields throughout developed markets remain uniformly low. Although equity markets have been relatively calm since the tumultuous first quarter, we see a variety of risks with various time horizons. COVID-19 persists as an intermediate-term threat in many countries, with particularly high levels of new cases in the U.S., India and the United Kingdom. The U.S. presidential election also presents elevated near-term risk that could linger beyond the election date if the result is not widely accepted as valid. Finally, in October, the International Monetary Fund flagged growing global debt as a serious long-term challenge, noting that median country debt is projected to increase this year by roughly 17% of GDP in advanced economies and 12% in emerging economies.

Best Performers

- Consumer apparel manufacturer **Hanesbrands, Inc.**
- Casino operator **Red Rock Resorts, Inc. (CI A)**
- Diversified holding company **Berkshire Hathaway, Inc. (CI B)**
- Information technology services provider **Cognizant Technology Solutions Corp. (CI A)**
- Industrial distributor **WESCO International, Inc.**

TEAM

Grady Burkett, CFA
Portfolio Manager

Worst Performers

- Tank barge operator **Kirby Corp.**
- Property and casualty insurance company **American International Group, Inc.**
- Banking and financial services company **Citigroup, Inc.**
- Telecommunications services provider **BT Group PLC**
- Banking and financial services company **Kasikornbank PLC**

New Positions

- Industrial distributor **WESCO International, Inc.**
- Utilities company **UGI Corp.**
- Pharmaceutical company **Roche Holding AG**
- Specialty chemicals manufacturer **W.R. Grace & Co.**

Eliminated Positions

- Media and technology company **Alphabet, Inc. (CI C)**
- Airline company **Copa Holdings S.A. (CI A)**
- Social media company **Facebook, Inc. (CI A)**
- Consumer apparel manufacturer **Hanesbrands, Inc.**
- Freight transportation management company **Hub Group, Inc. (CI A)**
- Asset manager **KKR & Co., Inc.**
- Life insurance company **MetLife, Inc.**



PERIOD & ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2013

	SINCE INCEPTION	5-YR	3-YR	1-YR	YTD	3Q20
GLOBAL COMPOSITE						
Gross of Fees	5.22	7.25	1.33	-5.54	-13.72	7.76
Net of Fees	4.93	6.85	0.70	-6.16	-14.15	7.59
BENCHMARK						
Morningstar Global Markets Index	6.84	9.98	6.58	9.54	0.50	8.01

CALENDAR YEAR RETURNS (%)

	2014	2015	2016	2017	2018	2019
GLOBAL COMPOSITE						
Gross of Fees	3.69	-4.58	11.42	30.84	-13.90	31.57
Net of Fees	3.69	-4.58	11.42	30.84	-14.51	30.73
BENCHMARK						
Morningstar Global Markets Index	4.00	-2.04	8.22	23.87	-9.82	26.24

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AS OF YEAR-END	DHCM	GLOBAL COMPOSITE				3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)	
		Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)	Global Composite	Morningstar Global Markets Index
2019	\$23.4B	5 or fewer	\$21.9M	NA ¹	14.75%	11.20%	
2018	19.1B	5 or fewer	14.7M	NA ¹	12.62	10.55	
2017	22.3B	5 or fewer	2.2M	NA ¹	11.56	10.26	
2016	19.4B	5 or fewer	1.7M	NA ¹	11.66	10.98	
2015	16.8B	5 or fewer	1.5M	NA ¹	NA ²	NA ²	
2014	15.7B	5 or fewer	1.6M	NA ¹	NA ²	NA ²	

¹ NA = Not applicable

² Statistics are not presented because 36 monthly returns are not available. This composite was created in January 2018.

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