

The Composite increased 3.68%, net of fees, compared to a 6.64% increase in the Morningstar Global Markets ex-U.S. Index.

On an absolute basis, the information technology, communication services and consumer staples sectors were the largest contributors to return. The only detractors were the financials and health care sectors.

The Composite's underperformance relative to the Index was primarily driven by security selection in the financials and health care sectors, along with a combination of security selection and an underweight position in the consumer discretionary sector. The largest contributors to return were security selection in the information technology and real estate sectors, and no exposure to the energy sector.

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

- Integrated circuit and semiconductor company **Taiwan Semiconductor Manufacturing Co. Ltd.**
- Household and personal products manufacturer **Unilever N.V.**
- Enterprise firewall provider **Check Point Software Technologies Ltd.**
- Alcoholic beverage producer **Anheuser-Busch InBev SA/N.V.**
- Diversified media and entertainment company **Walt Disney Co.**

## TEAM

**Grady Burkett, CFA**  
Portfolio Manager

**Krishna Mohanraj, CFA**  
Portfolio Manager

## Worst Performers

- Banking and financial services company **Kasikornbank PLC**
- Property and casualty insurance company **Beazley PLC**
- Telecommunication services provider **BT Group PLC**
- Pharmaceutical company **Astellas Pharma, Inc.**
- Investment manager **Ashmore Group PLC**

## New Positions

- Hospitality company **InterContinental Hotels Group PLC**
- Consumer internet group **Prosus N.V. (CI N)**
- Beverage and retail company **Fomento Economico Mexicano SAB de CV**

## Eliminated Positions

- Personal care product manufacturer **Beiersdorf AG**
- Consumer packaged goods manufacturer **Kao Corp.**
- Telecom operator **KDDI Corp.**
- Specialty business services provider **WNS (Holdings) Ltd.**



## PERIOD & ANNUALIZED TOTAL RETURNS (%)

Inception Date: December 31, 2016

	SINCE INCEPTION	3-YR	1-YR	YTD	3Q20
INTERNATIONAL COMPOSITE					
Gross of Fees	7.41	0.56	-3.75	-12.44	3.85
Net of Fees	7.18	0.29	-4.38	-12.87	3.68
BENCHMARK					
Morningstar Global Markets ex-U.S. Index	6.35	1.36	3.49	-5.21	6.64

## CALENDAR YEAR RETURNS (%)

	2017	2018	2019
INTERNATIONAL COMPOSITE			
Gross of Fees	32.22	-9.62	24.95
Net of Fees	32.22	-9.62	24.55
BENCHMARK			
Morningstar Global Markets ex-U.S. Index	27.37	-14.17	21.57

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sold, or recommended for the adviser's clients. To obtain the contribution calculation methodology and a complete list of every holding's contribution to the overall portfolio's performance during the measurement period, please contact 855.255.8955 or info@diamond-hill.com. GIPS is a trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement. Index data source: Morningstar, Inc. See diamond-hill.com/disclosures for a full copy of the disclaimer.

AS OF YEAR-END	DHCM	3-YR ANNUALIZED STANDARD DEVIATION (GROSS OF FEES)				
		INTERNATIONAL COMPOSITE			International Composite	Morningstar Global Markets ex-U.S. Index
	Assets Under Management	Number of Accounts	Assets Under Management	Dispersion (Gross of Fees)		
2019	\$23.4B	5 or fewer	\$13.5M	NA <sup>1</sup>	12.07%	11.15%
2018	19.1B	5 or fewer	3.5M	NA <sup>1</sup>	NA <sup>2</sup>	NA <sup>2</sup>
2017	22.3B	5 or fewer	4.0M	NA <sup>1</sup>	NA <sup>2</sup>	NA <sup>2</sup>

<sup>1</sup> NA = Not applicable

<sup>2</sup> Statistics are not presented because 36 monthly returns are not available. This composite was created in July 2019.

**Global Investment  
Performance Standards**