

# Large Cap Composite (closed to most new investors)

As of 31 Mar 2022

## DIAMOND HILL

INVESTED IN THE LONG RUN

### Team

**Chuck Bath, CFA**  
Portfolio Manager

**Austin Hawley, CFA**  
Portfolio Manager

**Brian Fontanella, CFA**  
Portfolio Specialist

### Philosophy and Process Highlights

Under our intrinsic value philosophy, we:

- Treat every investment as a partial ownership interest in that company
- Seek to invest at a discount to intrinsic value
- Possess a long-term investment temperament
- Recognize that market price and intrinsic value tend to converge over a reasonable period of time

### Portfolio Guidelines

- Typically 40–60 positions
- Maximum position size is 7%
- Top 10 holdings are typically greater than 30% of net assets
- Maximum industry exposure is 20%
- Maximum sector exposure is 30%

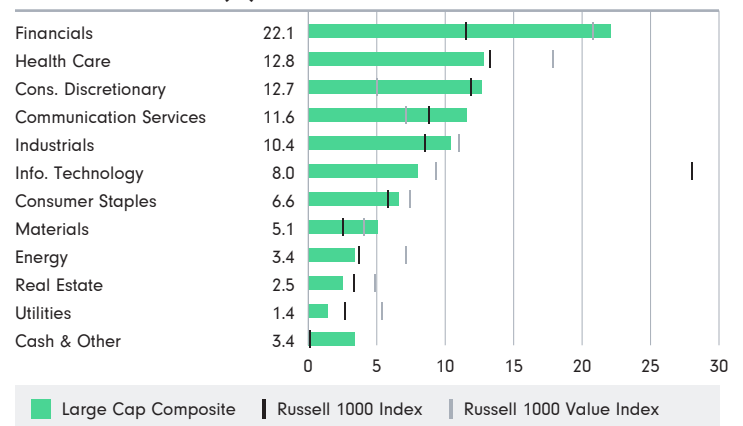
### Market Capitalization

The portfolio typically invests in companies with a market capitalization of \$5 billion or greater.

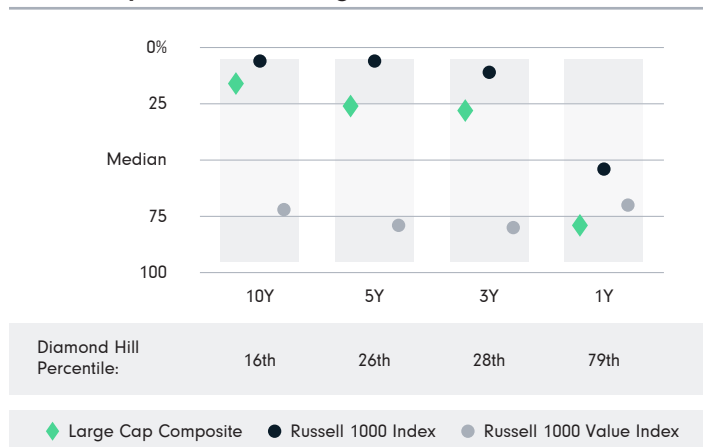
### Top Ten Equity Holdings

	Sector	% of Net Assets
American International Group, Inc.	Financials	4.7
ConocoPhillips	Energy	3.4
Abbott Laboratories	Health Care	3.3
Bank of America Corp.	Financials	2.9
Berkshire Hathaway, Inc. (CI B)	Financials	2.8
PepsiCo, Inc.	Consumer Staples	2.8
KKR & Co., Inc. (CI A)	Financials	2.7
Freeport-McMoRan, Inc.	Materials	2.5
Walt Disney Co.	Communication Services	2.5
Truist Financial Corp.	Financials	2.4
Total as % of Net Assets		30.0
Total Holdings		52

### Sector Allocation (%)<sup>1</sup>



### Peer Group Quartile Rankings<sup>2</sup>



### Best and Worst Performers (%)<sup>3</sup>

	1Q22 Contribution	Ending Weight
<b>Best</b>		
Chevron Corp.	0.6	0.0
Archer-Daniels-Midland Co.	0.5	1.8
Berkshire Hathaway, Inc. (CI B)	0.5	2.8
American International Group, Inc.	0.5	4.7
Freeport-McMoRan, Inc.	0.4	2.5
<b>Worst</b>		
Meta Platforms, Inc. (CI A)	-0.8	2.3
General Motors Co.	-0.7	2.3
NVR, Inc.	-0.7	2.2
KKR & Co., Inc. (CI A)	-0.6	2.7
Home Depot, Inc.	-0.6	1.8

<sup>1</sup> Cash & Other may include cash, treasuries, money market funds and short duration fixed income funds.

<sup>2</sup> Source: eVestment. Ranking within eVestment US Large Cap Value equity universe based on monthly returns gross of fees. Ranking data calculated on 18 Apr 2022 (as of 31 Mar 2022) and is subject to change as additional firms within the category submit data.

<sup>3</sup> Source: FactSet. Securities referenced may not be representative of all portfolio holdings. Contribution to return is not indicative of whether an investment was or will be profitable. To obtain contribution calculation methodology and a complete list of every holding's contribution to return during the period, contact 855.255.8955 or info@diamond-hill.com.

# Large Cap Composite

As of 31 Mar 2022

## Portfolio Characteristics vs Benchmark<sup>4</sup>

	Large Cap Composite	Russell 1000 Index	Russell 1000 Value Index
Median Forward P/E	18.2x	19.4x	18.0x
Median Trailing P/E	21.3x	22.9x	21.0x
Weighted Average Dividend Yield	1.5%	1.3%	1.9%
Median Price/Book	3.7x	3.6x	3.0x
Median Price/Sales	3.2x	3.2x	2.8x
Median Market Capitalization	\$85.8B	\$14.3B	\$13.2B
Weighted Average Market Cap.	\$190.2B	\$564.4B	\$153.9B
Portfolio Turnover (5-Year)	29%	—	—
Active Share <sup>5</sup> vs Core <sup>6</sup> /Value <sup>7</sup> Benchmark	82%/82%	—	—
Upside/Downside Capture Ratio <sup>8</sup> vs Core Benchmark <sup>6</sup>	103%/95%	—	—
Upside/Downside Capture Ratio <sup>8</sup> vs Value Benchmark <sup>7</sup>	106%/94%	—	—

<sup>4</sup>Source: FactSet.

<sup>5</sup>Source: FactSet. Active share measures the difference between portfolio holdings and the benchmark. The higher the active share, the greater the difference.

<sup>6</sup>The Russell 1000 Index is the core benchmark.

<sup>7</sup>The Russell 1000 Value Index is the value benchmark.

<sup>8</sup>Source: eVestment based on monthly returns (gross of fees) from 1 Jul 2001 – 31 Mar 2022.

## Period and Annualized Total Returns (%)

	Since Inception (30 Jun 2001)	20Y	15Y	10Y	5Y	3Y	1Y	YTD	1Q22
Gross of Fees	10.46	10.59	10.02	13.72	13.18	16.52	10.49	-3.18	-3.18
Net of Fees	9.87	10.01	9.47	13.16	12.65	15.98	9.98	-3.29	-3.29
Russell 1000 Index	8.79	9.42	10.26	14.53	15.82	18.71	13.27	-5.13	-5.13
Russell 1000 Value Index	7.75	8.08	7.36	11.70	10.29	13.02	11.67	-0.74	-0.74

## Calendar Year Returns (%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Gross of Fees	6.95	-33.92	31.49	10.61	3.60	13.35	37.79	11.59	-0.18	15.27	21.09	-8.81	32.96	10.00	26.50
Net of Fees	6.37	-34.29	30.79	10.00	3.11	12.79	37.06	10.98	-0.71	14.71	20.50	-9.25	32.35	9.49	25.92
Russell 1000 Index	5.77	-37.60	28.43	16.10	1.50	16.42	33.11	13.24	0.92	12.05	21.69	-4.78	31.43	20.96	26.45
Russell 1000 Value Index	-0.17	-36.85	19.69	15.51	0.39	17.51	32.53	13.45	-3.83	17.34	13.66	-8.27	26.54	2.80	25.16

Diamond Hill Capital Management, Inc. (DHCM) is a registered investment adviser and wholly owned subsidiary of Diamond Hill Investment Group, Inc.; registration does not imply a certain level of skill or training. Diamond Hill provides investment management services to individuals and institutional investors through mutual funds and separate accounts. DHCM claims compliance with the Global Investment Performance Standards (GIPS®). The Large Cap Composite is comprised of all discretionary, non-fee and fee-paying, non-wrap accounts managed according to the firm's Large Cap strategy, respectively, including those clients no longer with the firm. The strategy's investment objective is to achieve long-term capital appreciation by investing in companies within the market capitalization range of the strategy that are selling for less than our estimate of intrinsic value. The Large Cap strategy typically invests in companies with a market capitalization of \$5 billion or greater. The Russell 1000 Index measures the performance of roughly 1,000 US large-cap companies. The Russell 1000 Value Index measures the performance of US large-cap companies with lower price/book ratios and forecasted growth values. The indexes are unmanaged, market capitalization weighted, include net reinvested dividends, do not reflect fees or expenses (which would lower the return) and are not available for direct investment. Index data source: London Stock Exchange Group PLC. See [diamond-hill.com/disclosures](http://diamond-hill.com/disclosures) for full disclosures. To receive a complete list and description of all Diamond Hill composites and/or a GIPS report, contact Scott Stapleton at 614.255.3329, [ssapleton@diamond-hill.com](mailto:ssapleton@diamond-hill.com) or 325 John H. McConnell Blvd., Suite 200, Columbus, OH 43215. The performance data quoted represents past performance; past performance does not guarantee future results. Composite results reflect the reinvestment of dividends, capital gains and other earnings when appropriate. Net returns are calculated by reducing the gross returns by either the actual client fee paid or the highest stated fee in the composite fee schedule, depending on the type of client and account, and are reduced by estimated accrued performance based fees where applicable. Only transaction costs are deducted from gross of fees returns. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. The US Dollar is the currency used to express performance.