

# All Cap Select Composite

As of 31 Dec 2022

# DIAMOND HILL

INVESTED IN THE LONG RUN

## Team

**Austin Hawley, CFA**  
Portfolio Manager

**Rick Snowden, CFA**  
Portfolio Manager

## 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 30–40 positions
- Maximum position size is 10%
- Top 10 holdings are typically greater than 40% of net assets
- Maximum industry exposure is 25%
- Maximum sector exposure is 35%

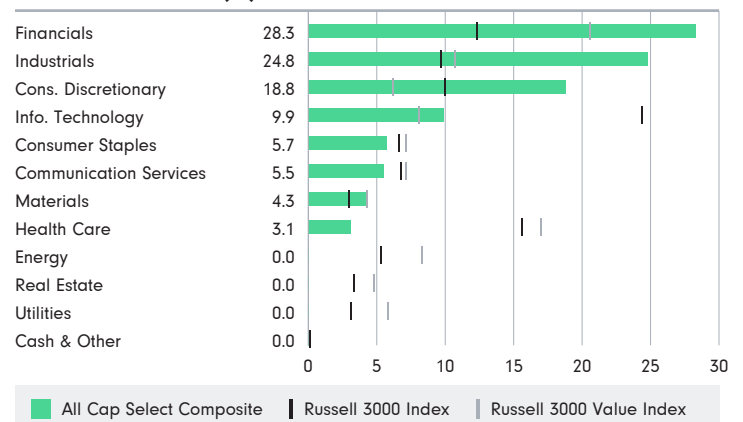
## Market Capitalization

The portfolio typically invests in companies with a market capitalization of \$500 million or greater.

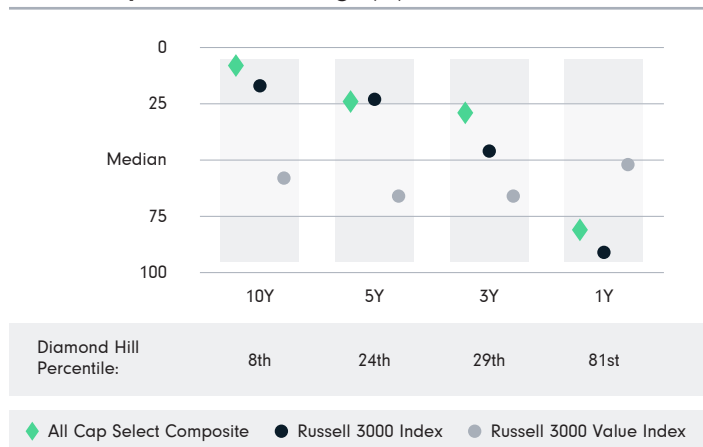
## Top Ten Equity Holdings<sup>1</sup>

	Sector	% of Net Assets
WESCO International, Inc.	Industrials	8.3
Mr. Cooper Group, Inc.	Financials	8.2
American International Group, Inc.	Financials	6.2
Red Rock Resorts, Inc. (CI A)	Cons. Discretionary	6.1
Amazon.com, Inc.	Cons. Discretionary	5.5
Alphabet, Inc. (CI A)	Communication Services	5.5
KKR & Co., Inc. (CI A)	Financials	4.4
CarMax, Inc.	Cons. Discretionary	4.2
Cimpress PLC	Industrials	4.2
SunOpta, Inc.	Consumer Staples	3.4
Total as % of Net Assets		55.9
Total Holdings		31

## Sector Allocation (%)<sup>2</sup>



## Peer Group Quartile Rankings (%)<sup>3</sup>



## Best and Worst Performers (%)<sup>1</sup>

	Ending Weight
<b>Best</b>	
American International Group, Inc.	6.2
Red Rock Resorts, Inc. (CI A)	6.1
Freeport-McMoRan, Inc.	1.3
ESAB Corp.	3.2
Lancaster Colony Corp.	2.3
<b>Worst</b>	
Amazon.com, Inc.	5.5
SVB Financial Group	0.0
Alphabet, Inc. (CI A)	5.5
Rimini Street, Inc. (CI A)	1.5
Take-Two Interactive Software, Inc.	0.0

<sup>1</sup> Securities referenced may not be representative of all portfolio holdings. The reader should not assume that an investment in the securities was or will be profitable.

<sup>2</sup> Cash & Other may include cash, treasuries, money market funds and short duration fixed income funds.

<sup>3</sup> Source: eVestment. Ranking within eVestment US All Cap Value equity universe based on monthly returns gross of fees. Ranking data calculated on 20 January 2023 (as of 31 December 2022) and is subject to change as additional firms within the category submit data. Diamond Hill pays an annual fee to eVestment to access their platform and to use their data, including peer group rankings, in marketing materials. Diamond Hill does not pay for the ranking.

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

	All Cap Select Composite	Russell 3000 Index	Russell 3000 Value Index
Median Forward P/E	16.8x	15.1x	13.6x
Median Trailing P/E	17.0x	16.4x	14.4x
Median Price/Book	1.8x	2.0x	1.6x
Median Price/Sales	1.7x	2.1x	1.9x
Median Market Capitalization	\$8.2B	\$1.9B	\$1.9B
Weighted Average Market Cap.	\$140.0B	\$337.4B	\$130.1B
Portfolio Turnover (5Y)	71%	—	—
Active Share <sup>5</sup> vs Core <sup>6</sup> /Value <sup>7</sup> Benchmark	92%/97%	—	—
Upside/Downside Capture Ratio <sup>8</sup> vs Core Benchmark <sup>6</sup>	113%/95%	—	—
Upside/Downside Capture Ratio <sup>8</sup> vs Value Benchmark <sup>7</sup>	113%/98%	—	—

<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 3000 Index is the core benchmark.

<sup>7</sup>The Russell 3000 Value Index is the value benchmark.

<sup>8</sup>Source: eVestment based on monthly returns (gross of fees) from 1 July 2000 – 31 December 2022.

Period and Annualized Total Returns (%)	Since Inception (30 Jun 2000)	20Y	15Y	10Y	5Y	3Y	1Y	YTD	4Q22
Gross of Fees	10.64	12.00	9.27	12.83	8.76	9.11	-16.47	-16.47	6.57
Net of Fees	9.69	11.05	8.35	11.89	7.89	8.24	-17.14	-17.14	6.35
Russell 3000 Index	6.58	9.88	8.66	12.13	8.79	7.07	-19.21	-19.21	7.18
Russell 3000 Value Index	7.36	8.84	6.96	10.16	6.50	5.88	-7.98	-7.98	12.18

Calendar Year Returns (%)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross of Fees	-32.90	34.83	11.51	-0.58	12.70	45.86	12.59	-0.47	10.84	21.26	-11.19	31.91	15.64	34.48	-16.47
Net of Fees	-33.47	33.68	10.56	-1.42	11.74	44.62	11.63	-1.32	9.90	20.23	-11.93	30.86	14.72	33.41	-17.14
Russell 3000 Index	-37.31	28.34	16.93	1.03	16.42	33.55	12.56	0.48	12.74	21.13	-5.24	31.02	20.89	25.66	-19.21
Russell 3000 Value Index	-36.25	19.76	16.23	-0.10	17.55	32.69	12.70	-4.13	18.40	13.19	-8.58	26.26	2.87	25.37	-7.98

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