

# Large Cap Composite

As of 31 Dec 2023

# DIAMOND HILL

INVESTED IN THE LONG RUN

## Team

**Chuck Bath, CFA**  
Portfolio Manager

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Portfolio Manager

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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%

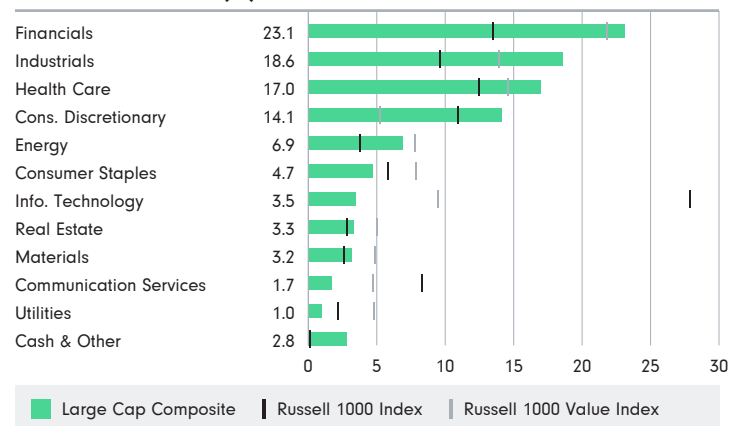
## Market Capitalization

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

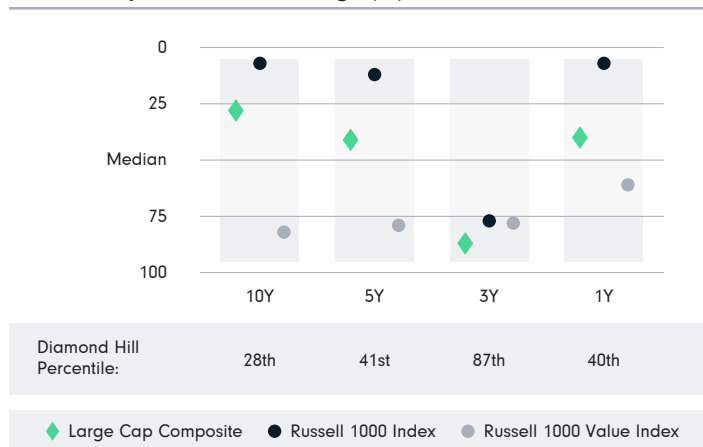
## Top Ten Equity Holdings<sup>1</sup>

	Sector	% of Net Assets
American International Group, Inc.	Financials	4.5
ConocoPhillips	Energy	3.7
Abbott Laboratories	Health Care	3.2
Bank of America Corp.	Financials	3.2
Allstate Corp.	Financials	2.7
PepsiCo, Inc.	Consumer Staples	2.7
NVR, Inc.	Cons. Discretionary	2.7
CarMax, Inc.	Cons. Discretionary	2.7
KKR & Co., Inc. (CI A)	Financials	2.6
Caterpillar, Inc.	Industrials	2.6
Total as % of Net Assets		30.4
Total Holdings		51

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



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



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

	Ending Weight
<b>Best</b>	
KKR & Co., Inc. (CI A)	2.6
Allstate Corp.	2.7
Bank of America Corp.	3.2
American International Group, Inc.	4.5
Target Corp.	2.0
<b>Worst</b>	
Chevron Corp.	1.9
Pfizer, Inc.	1.9
BorgWarner, Inc.	1.1
Carrier Global Corp.	0.0
ConocoPhillips	3.7

<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 Large Cap Value equity universe based on monthly returns gross of fees. Ranking data calculated on 19 January 2024 (as of 31 December 2023) 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>

	Large Cap Composite	Russell 1000 Index	Russell 1000 Value Index
Median Forward P/E	18.8x	19.8x	18.4x
Median Trailing P/E	24.4x	23.5x	21.3x
Median Price/Book	3.6x	3.2x	2.6x
Median Price/Sales	2.5x	2.5x	2.2x
Median Market Capitalization	\$70.8B	\$13.2B	\$12.2B
Weighted Average Market Cap.	\$186.1B	\$620.3B	\$129.0B
Portfolio Turnover (5Y)	34%	—	—
Active Share <sup>5</sup> vs Core <sup>6</sup> /Value <sup>7</sup> Benchmark	83%/86%	—	—
Upside/Downside Capture Ratio <sup>8</sup> vs Core Benchmark <sup>6</sup>	101%/95%	—	—
Upside/Downside Capture Ratio <sup>8</sup> vs Value Benchmark <sup>7</sup>	107%/96%	—	—

<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 July 2001 – 31 December 2023.

Period and Annualized Total Returns (%)	Since Inception (30 Jun 2001)	20Y	15Y	10Y	5Y	3Y	1Y	YTD	4Q23
Gross of Fees	9.76	10.55	12.88	10.09	13.02	8.04	14.37	14.37	11.55
Net of Fees	9.01	9.82	12.16	9.42	12.35	7.39	13.68	13.68	11.39
Russell 1000 Index	8.44	9.78	14.02	11.80	15.52	8.97	26.53	26.53	11.96
Russell 1000 Value Index	7.31	7.99	11.09	8.40	10.91	8.86	11.46	11.46	9.50

Calendar Year Returns (%)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Gross of Fees	31.49	10.61	3.60	13.35	37.79	11.58	-0.17	15.27	21.10	-8.81	32.96	9.99	26.50	-12.83	14.37
Net of Fees	30.57	9.84	2.87	12.61	36.89	10.86	-0.82	14.57	20.37	-9.36	32.16	9.33	25.74	-13.35	13.68
Russell 1000 Index	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	-19.13	26.53
Russell 1000 Value Index	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	-7.54	11.46

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