

	A-Shares	B-Shares
NAV in USD	289.72	298.62
MTD return	9.64%	9.69%
YTD return	22.07%	22.68%
Net AuM	USD 62.5 m	
Morningstar Rating™	★★★★	

Manager's comment

December was a very good month: we earned a return of 9.7% beating the Russell 2000 by 1.2%. We were helped by some very good earnings announcements as well as by the takeover of HMSY holdings.

We are looking now back at the extremely volatile 2020, which turned out to be a good year with a return of 22.7% and an alpha of 4.3%. Although our volatility was extremely high (42%) it was similar to the volatility of our benchmark (43%).

December 2020 was another good month for small stocks when the Russell 2000 beat the S&P 500 by 4.8%. Small stocks had been underperforming big caps since August 2018 until the end of October 2020, an anomaly inconsistent with the widely documented small firm effect, i.e. that small firms beat big firms, at least in the long run. This anomaly has been reversed during the last two months so that this year we beat the S&P 500 by 6.4%.

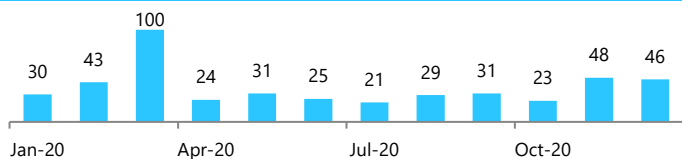
What did we learn in 2020? First that one should not panic when markets become irrational such as falling by 40% in March because of a short-term problem such as a government-imposed crackdown on economic activity. Second, trust the buyback signal: when in March 2020 the U.S. saw the largest number of buyback announcements in 10 years investors should be reassured that this not a typical recession. Finally, small caps behave differently from big caps. So, investors should not simply hold the S&P 500 as the finance textbooks suggest but diversify into the small cap segment.

This month 46 companies announced buyback plans. We sold HMSY after a takeover and we bought Viper Energy Partners. We thank all investors for their confidence and wish you a happy 2021.

Fund strategy

The PV Buyback USA Fund is a long-only fund focused on small and mid caps listed on the US equity market. It invests in companies announcing share buyback programs to take advantage of an undervalued stock price. To identify those firms where the repurchase is most likely motivated by undervaluation, the Fund has developed a systematic approach. Fund managers are highly experienced and have a strong track record in developing and implementing this investment strategy.

Number of buyback announcements²



Risk metrics

Indicators	PV Buyback USA	Russell 2000
Daily annualized volatility ³	41.7%	43.2%
Maximum drawdown	-44.5%	-43.1%
Beta	0.93	1.00
Sharpe ratio ⁴	0.11	0.04
Information ratio ⁴	0.17	
Tracking error	6.56%	

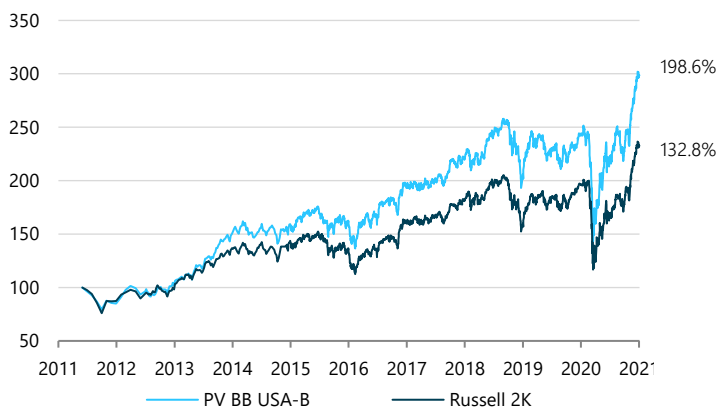
Fund facts

Fund name	DIM Funds SICAV SA – PV Buyback USA	
Legal structure	UCITS V	
Management comp.	Degroof Petercam Asset Services	
Domicile	Luxembourg (CSSF regulated)	
Geography	US listed stocks	
Asset classes	Equity	
Strategy	Directional long-only	
Style	Value, event driven situations	
Reference index	Russell 2000	
High Watermark	Yes, trailing 2 years	
Investment Advisors	Theo Vermaelen and Urs Peyer	
Fund administrator	Banque Degroof Petercam Luxembourg	
Share class	A-Shares	B-Shares
Management fee	150 bps	100 bps
Performance fee	10 % of the outperf.	10 % of the outperf.
Minimum investment	None	USD 250.000
Liquidity	Daily, 1 day notice	Daily, 1 day notice
ISIN	LU1149046275	LU0630248994
Ticker	DIPBAUS LX Equity	DIPVBAA LX Equity

Notes: 1 Daily NAV as of 31/12/2020 | 2 USA Buybacks: www.theonlineinvestor.com | 3 Trailing one year | 4 Calculated based on return since inception

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Performance vs. Benchmark



Performance period	PV BB USA - B	Russell 2000	Outperformance
December 2020	9.7%	8.5%	1.2%
Year-to-date	22.7%	18.4%	4.3%
3-year annualized	10.8%	8.7%	2.0%
5-year annualized	13.3%	11.7%	1.6%
2019	19.5%	23.7%	-4.2%
2018	-7.2%	-12.2%	5.0%
2017	13.6%	13.1%	0.5%

Portfolio breakdown

Sector	# of positions	Avg. Market Cap.
Industrials	12	1245 m
Health Care	9	2093 m
Semiconductors	8	1266 m
Financials	8	917 m
Hardware	7	622 m
Software	6	2517 m
Cons. Discretionary	6	969 m
Energy	5	864 m
Telecom	4	1426 m
Materials	1	349 m
Cons. Staples	1	419 m
TOTAL	67	1304 m

Industry exposure

