



Champion Advisors LLC
Wealth Management



PERSPECTIVES

Three Decades of Value Investing: Implementing Breakthrough Research

May 12, 2023

Since our founding in 1981, Dimensional has sought to innovate by designing investment solutions that implement the great ideas in finance. This year marks three decades since the inception of our first two value funds, which came on the heels of work by Professors Eugene Fama and Kenneth R. French in their landmark paper “The Cross-Section of Expected Stock Returns.”

Dimensional’s US Large Cap Value Portfolio (DFLVX) launched Feb. 19, 1993. It has outperformed its benchmark, the Russell 1000 Value Index, by an annualized 39 basis points (bps) since the first full month after inception, with an annualized lifetime return of 9.65%.

Dimensional’s US Small Cap Value Portfolio (DFSVX) launched less than a month later, on March 2, 1993. It has beaten its benchmark, the Russell 2000 Value Index, by an annualized 176 bps since the first full month after inception and has achieved an annualized lifetime return of 11.00%.

Today, value is a fundamental part of Dimensional’s approach within equities, and the firm has 22 value-focused strategies (both mutual funds and ETFs) across US, international, and emerging markets. **Exhibit 1** shows the strong track records of some of our most prominent value funds. They have outperformed their benchmarks between 39 and 299 bps on an annualized basis since the first full month after their inceptions more than a quarter century ago.

From the small cap strategies that helped launch the company in 1981, to the value funds that took off a decade later and the many offerings since, Dimensional has always sought to deliver on client needs with research-backed solutions. That’s a foundational aspect of our enduring tradition of innovation.

Exhibit 1**Value Proposition**

Lifetime returns of value strategies vs. benchmarks as of March 31, 2023*

	Ticker	Inception	Annualized Return (%)	Benchmark
US Large Cap Value Portfolio	DFLVX	2/19/1993	9.65	9.26
US Small Cap Value Portfolio	DFSVX	3/2/1993	11.00	9.24
International Value Portfolio	DFIVX	2/15/1994	5.95	5.21
International Small Cap Value Portfolio	DISVX	12/29/1994	6.83	6.37
Emerging Markets Value Portfolio	DFEVX	4/1/1998	8.78	5.79

Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, visit dimensional.com. Performance includes reinvestment of dividends and other earnings.

**Since first full month after inception. Funds shown are the largest Dimensional value funds in their respective Morningstar Categories.*

Benchmarks for value strategies: Russell 1000 Value Index (DFLVX), Russell 2000 Value Index (DFSVX), MSCI World ex USA Value Index (net div.) (DFIVX), MSCI World ex USA Small Value Index (net div.) (DISVX), MSCI Emerging Markets Value Index (net div.) (DFEVX)

Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio.

Appendix

	Symbol	Average Annual Total Returns ¹ (%)			Net Expense Ratio ²
		1 Year	5 Years	10 Years	
US Equity Mutual Funds					
US Large Cap Value Portfolio	DFLVX	-5.00	6.46	9.51	0.21%
US Small Cap Value Portfolio	DFSVX	-3.50	7.19	8.54	0.30%
Non-US Equity Mutual Funds					
International Value Portfolio	DFIVX	0.40	2.85	5.04	0.28%
International Small Cap Value Portfolio	DISVX	-1.34	1.29	5.73	0.44%
Emerging Markets Value Portfolio	DFEVX	-7.88	0.20	2.24	0.44%

¹ Performance information as of 03/31/23.

² Net Expense Ratio information as of the prospectus date 02/28/23. Certain Portfolios have entered into fee waiver and/or expense assumption arrangements with the Advisor. In these cases, the Advisor has contractually agreed, under certain circumstances, to waive certain fees and/or assume certain expenses of the Portfolio. Unless otherwise stated in the prospectus, the Advisor may amend or discontinue these arrangements at any time, one year from the date of the prospectus. The net expense ratio reflects the total annual fund operating expenses of the Portfolio after taking into account any such fee waiver and/or expense assumption arrangements. Please read the Portfolio's prospectus for details and more information.

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