

Asset TV Small Caps Masterclass

December 2017



Commentator: Gillian Kemmerer

Ryan Thomes, Portfolio Manager, Hotchkis & Wiley Small Cap Diversified Value, appears on Asset TV. Excerpts are presented below:



Small vs. Large Cap Performance

The Russell 2000 has lagged the broader market through the better part of 2017. What has led to the underperformance, is it sector driven or is it driven by the current market environment or some combination of both?

[Video Replay](#)

Current Market Valuation

Market Valuation can be determined by how you define small caps. How does Hotchkis & Wiley use their research driven process to take advantage of market inefficiencies?

[Video Replay](#)

Impact of Tax Reform

What do you think the potential impact of tax reform will be on the small cap market?

[Video Replay](#)

Performance data quoted represents past performance; past performance does not guarantee future results. Index performance is not illustrative of fund performance. One cannot invest directly in an index. Please call 1-800-796-5606 for fund performance.

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The Russell 2000® Index, an unmanaged index, measures the performance of the 2,000 smallest companies in the Russell 3000® Index. The S&P 500® Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Russell 1000® Index measures the performance of those 1,000 largest companies in the Russell 3000® Index, which represents approximately 92% of the total market capitalization of the Russell 3000® Index. The indices do not reflect the payment of transaction costs, fees and expenses associated with an investment in the Fund. The Fund's value disciplines may prevent or restrict investment in major stocks in the benchmark indices. It is not possible to invest directly in an index. The Fund's returns may not correlate with the returns of their benchmark indices.

As of June 30, 2018, Facebook, Apple, Amazon, Netflix and Google were not held in the portfolio. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security. Current and future portfolio holdings are subject to risk. Any tax or legal information provided is merely a summary of our understanding and interpretation of some of the current income tax regulations and it is not exhaustive. Investors must consult their tax advisor or legal counsel for advice and information concerning their particular situation. Neither the Funds nor any of its representatives may give legal or tax advice. Market capitalization of a company is calculated by multiplying the number of outstanding shares by the current market price of a share.

Video references: Large Cap Index – Russell 1000 Index; S&P – S&P 500 Index; mid-September – Taping took place on September 14, 2017. YTD performance as of September 30, 2017 for the Russell 2000 and Russell 1000 Indices: 10.94% and 14.17%, respectively.

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HW-AssetTV-12/17