

DAVIS SELECTED ADVISERS
CHRIS DAVIS PORTFOLIO



Portfolio Date: 2018-12-31
Updated on 2019-02-13

Portfolio Overview

Portfolio:	Davis Selected Advisers
Fund Type:	Mutual Fund Company
Portfolio Date:	2018-12-31
Number of Stocks:	137
Equity Value:	\$17.90 Billion
Number of New Buys:	10
Q/Q Turnover:	7%

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I. Portfolio Overview, Profile

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Profile

Davis Advisors manages more than \$60 billion across several different asset classes. Chris Davis is the portfolio manager of Davis Financial Fund.

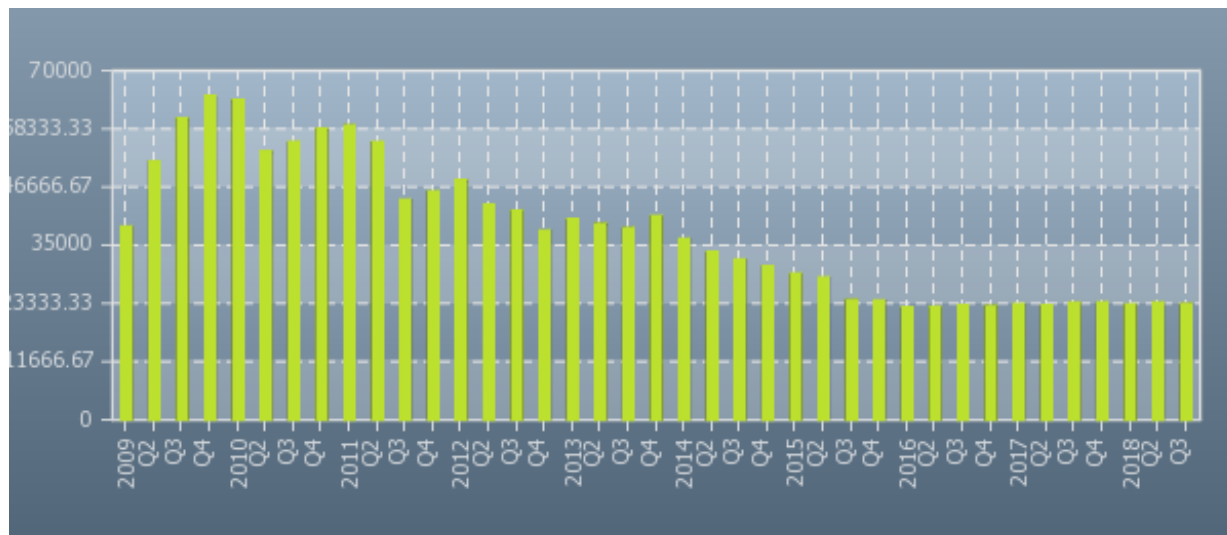
Investing Philosophy

Davis purchases durable, well-managed businesses that can be purchased at value prices and held for the long term (average holding period of a stock in the Davis New York Venture Fund is four to seven years). Davis focuses primarily on financial services companies. He looks to buy companies when they are out of favor.

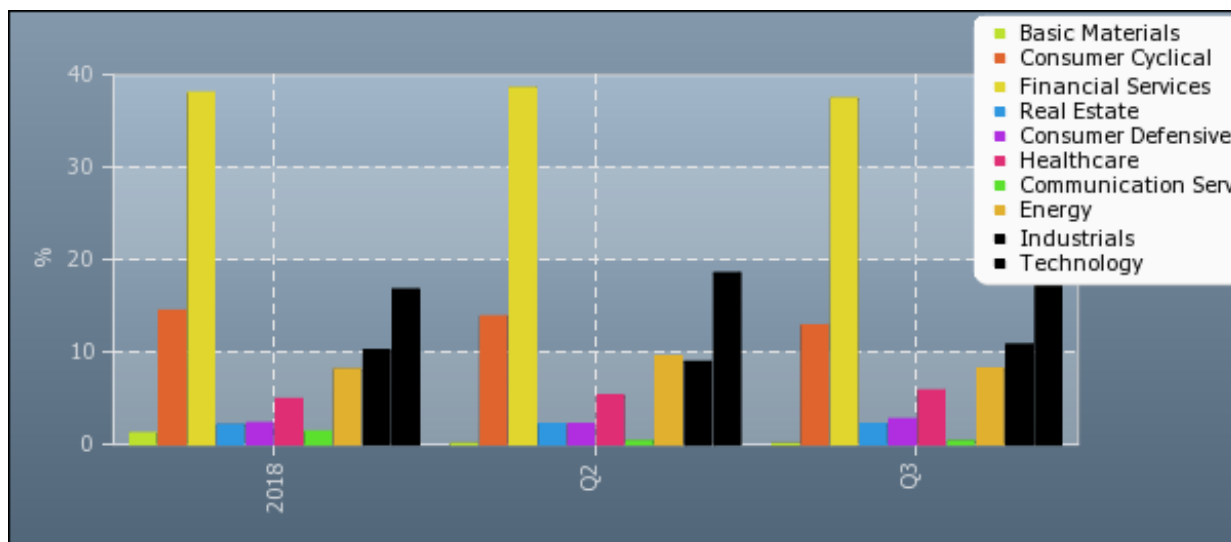
II. Performance of Davis Financial Fund

Year	Return (%)	S&P 500 (%)	Excess Gain (%)
2017	19.27	21.71	-2.4
2016	15.04	11.99	3.1
2015	1.74	1.24	0.5
2014	13.01	13.47	-0.5
2013	31.45	32.3	-0.8
5-Year Cumulative (Average)	107.4 (15.7%/year)	107.2 (15.7%/year)	0.2 (0%/year)
2012	18.15	15.99	2.2
2011	-9.02	1.9	-10.9
2010	11.25	15.05	-3.8
2009	46.02	26.35	19.7
2008	-45.62	-36.79	-8.8
10-Year Cumulative (Average)	96.9 (7%/year)	125 (8.4%/year)	-28.1 (-1.4%/year)
2007	-5.31	5.14	-10.4
2006	18.74	15.85	2.9
2005	8.03	4.83	3.2
2004	12.11	10.7	1.4
2003	36.86	28.19	8.7
15-Year Cumulative (Average)	267 (9.1%/year)	307.7 (9.8%/year)	-40.7 (-0.7%/year)
2002	-18.98	-21.58	2.6
2001	-9.15	-11.76	2.6
2000	32.16	-9.75	41.9
1999	-0.85	20.4	-21.2
1998	14.17	28.7	-14.5
20-Year Cumulative (Average)	304.1 (7.2%/year)	294.5 (7.1%/year)	9.6 (0.1%/year)
1997	44.53	33.47	11.1
1996	31.5	22.49	9.0
1995	50.51	38.04	12.5
1994	-4.55	0.4	-5.0
1993	14.87	10.08	4.8
25-Year Cumulative (Average)	1167.5 (10.7%/year)	883.9 (9.6%/year)	283.6 (1.1%/year)
1992	32.6	7.62	25.0

III. Historical Total Value (\$Billion) of Filings



IV. Industry/Sector Shift in Past 12 Months



V. ETF Holdings

These are the ETF stocks in the portfolio of Chris Davis.

Ticker	ETF	Shares (1000)	Value (\$Mil) ↓	Weighting as of 2018-12-31 (%)	Share # Change from Last Period
IVE	iShares S&P 500 Value	165.4	15.5	0.05%	New Buy
IWV	iShares Russell 3000	19.5	2.4	0.01%	New Buy

VI. Comments by Chris Davis on Stocks in the Portfolio

Chris Davis Comments on Chubb Ltd.

Chubb Limited ([NYSE:CB](#)) is another example of an innovator that has been just as disruptive in the insurance industry. Seizing on an underappreciated tax advantage in the early 1990s, a group of leading executives started a company named Ace Limited that practically created the offshore reinsurance industry. Building on this foundation, the company grew into the world's most highly valued property and casualty insurance company culminating in its 2016 acquisition of blue chip Chubb Limited whose name the company retained.

From [Chris Davis \(Trades, Portfolio\)](#)' Davis New York Venture Fund 3rd quarter 2018 [shareholder letter](#).

Chris Davis Comments on United Technologies

Some of the strongest and best-known companies in the world make up the largest portion of the Portfolio. This fact is nothing new. What is unusual though is the opportunity created when short-term concerns depress the share prices of these companies allowing us to purchase shares at below-average prices. For example, United Technologies ([NYSE:UTX](#)) holds a preeminent position in three attractive industries: jet engines and other aerospace equipment through its Pratt & Whitney division, elevator manufacturing and servicing through its Otis division, and heating, ventilation and air conditioning and refrigeration systems through its Carrier division.¹¹ Each of these businesses generates a high return on equity and possesses durable competitive advantages. Yet, the entire company trades at a discount valuation as the market frets about short-term concerns. The opportunity to own such a global leader at a discount price is a value investor's dream.

From [Chris Davis \(Trades, Portfolio\)](#)' Davis New York Venture Fund 3rd quarter 2018 [shareholder letter](#).

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