



DFA Update

Global Allocation 60/40 Portfolio Update (DGSIX)

By Brandon Mendez

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This past quarter (Q3), Global Allocation 60/40 Portfolio (DGSIX) saw gains led by foreign emerging markets. These gains did not affect the global, nor the sector allocations, which have remained consistent with previous updates. With 71% of total value, North America remains the top allocation of all underlying assets, and the financial sector continues to be the top sector at 17% of the equity allocation.

Mutual fund fees have been gaining negative attention as of late due to the Department of Labor's recent fiduciary rule, and I find it appropriate to discuss the fee structure of DGSIX:

Fees:

DGSIX is a low-fee mutual fund. Dimensional Fund Advisors (DFA) specializes in low-cost, index investing. This type of mutual fund typically offers lower index fees, and DFA goes beyond these lower index fees and advocates for the lowest mutual fund fees possible. DGSIX has an expense ratio of 0.52%, while similar mutual funds have an average expense ratio near 1.19%.

DFA does not collect any load or 12b-1 fees. Loads are transaction fees that are collected upon the purchase or sale of the fund and are calculated as a percentage of net asset value (NAV) at the time of purchase or sale. 12b-1 fees are annual fees for holding the position. Typically, 12b-1 fees range between 0.25% and 1.00% of NAV annually. DFA avoids load, and 12b-1 fees to help maximize investment return.

Performance:

DGSIX ended 3.37% up for the quarter and 7.53% for the year-to-quarter end. In Q3, DGSIX paid out a dividend of \$0.04 per share.

Please contact TWC if you'd like fee information for Dimensional funds other than DGSIX.

Fund information was gathered directly from Dimensional Fund Advisors. For more information on the DFA Global Allocation 60/40 Portfolio or other DFA funds available please visit www.Dimensional.com for more details.

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