

# LARGE CAP EQUITY FUND

Portfolio Managers: Brad Hinton, CFA®  
Investment Style: Large-Cap Equity

The Large Cap Equity Fund's Institutional Class posted strong absolute and relative results for the third quarter, returning +7.84% compared to +6.08% for the Russell 1000 Index.

Stock gains were broad-based as AI fever took a breather. Small- and medium-sized companies led the way and value fare outpaced higher-flying growth stocks. More than half of the Fund's positions delivered double-digit quarterly returns, including "newer vintage" holdings such as Equifax, Veralto, Constellation Software, and Old Dominion Freight Lines. Stocks are not cheap, but we feel quite good about the Fund's collection of businesses.

## Notable Q3 Contributors

Aon plc, Equifax, Berkshire Hathaway, Meta Platforms, and Oracle were the Fund's top quarterly contributors. Stocks in the health care and industrial sectors also delivered strong quarterly gains. Technology-adjacent stocks were the most notable pocket of weakness during the quarter, in an abrupt reversal from prior months. Alphabet, Microchip Technology, Adobe, Amazon, and Roper Technologies were the Fund's only quarterly detractors.

## 3Q Trading Activity

We continued to increase the Fund's positions in Global Payments and IDEX Corp. during the quarter. Both stocks trade at significant discounts to our business value estimates. The companies have fundamental catalysts that could drive the stocks, but the timetable may have slipped a bit. The challenge is that investors want results now, especially in a bull market. We have specific milestones to track, and we think their achievement can be measured in quarters rather than years. In our view, the potential payoffs are well worth the wait.

We trimmed the Fund's positions in Meta Platforms, S&P Global, and Charter Communications after significant runs in the stocks. Meta and S&P both enjoy strong business momentum, but investors know it and their stocks have traded at all-time highs. Charter posted better-than-feared quarterly results, and the stock rebounded sharply from what we viewed as deeply oversold levels. A good start, but they still have much work to do. As always, our goal with trims is to re-calibrate position sizes to better reflect the Fund's current opportunity set.

## Looking Forward

We think our Quality-at-a-Discount approach to investing is timeless. Concentrated, valuation-sensitive investing doesn't work all the time, but applied thoughtfully, consistently, and with discipline, it can work extremely well over time. We need to be right more often than we are wrong, over hundreds of decisions to act and not act each year. And we need the payoff from "winners" to exceed the cost from "losers," hopefully by a lot over the long arc of time. Simple, but not easy.

## Potential Investing Edge

In a world fueled by instant gratification, our time horizon is an increasingly valuable source of potential investing edge. Our team has the temperament required to capitalize on it. We have a focused portfolio that is well-aligned with our vision for successful large cap investing. The Fund has concentrated ownership stakes in 30 companies, with the top ten representing nearly half of the portfolio. Each position is significant enough to matter, yet none can individually make or break our results. Our current estimate is that the portfolio trades at a price-to-value in the very low 90s, which we believe offers adequate return potential over a multi-year period.



### VALUE MATTERS: Balancing Volatility and Opportunity

*During the third quarter, money flowed into stocks other than Nvidia and the other "Magnificents" and a broader group advanced. The bond market also got a boost from investor anticipation of the Fed rate cut that finally materialized in September. Read More...*

[Read More →](#)

**Top Contributors and Detractors**

TOP CONTRIBUTORS (%)				
	Return	Average Weight	Contribution	% of Net Assets
Aon plc	18.09	4.27	0.72	4.4
Equifax, Inc.	21.35	3.60	0.71	3.7
Berkshire Hathaway, Inc.	13.14	5.07	0.65	5.2
Meta Platforms, Inc.	13.69	4.33	0.61	4.5
Oracle Corp.	21.03	2.90	0.59	3.3

TOP DETRACTORS (%)				
	Return	Average Weight	Contribution	% of Net Assets
Alphabet, Inc.	-8.73	4.46	-0.46	4.3
Microchip Technology, Inc.	-11.73	2.00	-0.26	1.9
Adobe, Inc.	-6.80	2.35	-0.16	2.2
Amazon.com, Inc.	-3.58	3.28	-0.14	3.2
Roper Technologies, Inc.	-1.15	2.06	-0.03	2.0

Data is for the quarter ending 09/30/2024. Holdings are subject to change and may not be representative of the Fund's current or future investments. Contributions to performance are based on actual daily holdings. Returns shown are the actual returns for the specified period of the security. Additional securities referenced herein as a percent of the Fund's net assets as of 09/30/2024: Charter Communications, 3.7%; IDEX Corp. (IEX), 2.5%; Constellation Software, Inc. Canada, 2.6%; Old Dominion Freight Line, Inc., 2.2%; Global Payments, Inc., 4.5%; S&P Global, Inc., 2.5%; and Veralto Corp., 2.2%.

RETURNS (%)												
	TOTAL RETURNS		AVERAGE ANNUAL TOTAL RETURNS							Since Inception	Net Expense	Gross Expense
	QTR	YTD	1-YR	3-YR	5-YR	10-YR	20-YR	30-YR	35-YR	(5/9/1986)		
<b>WVAIX</b> Institutional Class	7.84	13.43	25.80	6.35	12.88	10.10	7.88	10.69	10.50	10.62	0.87	0.87
<b>WVALX</b> Investor Class	7.78	13.28	25.59	6.19	12.69	9.88	7.77	10.61	10.44	10.56	1.03	1.03
Russell 1000 Index	6.08	21.18	35.68	10.82	15.62	13.09	10.75	10.85	10.63	10.98	-	-
S&P 500 Index	5.89	22.08	36.35	11.90	15.96	13.37	10.70	10.83	10.58	11.03	-	-

The opinions expressed are those of Weitz Investment Management and are not meant as investment advice or to predict or project the future performance of any investment product. The opinions are current through 10/09/2024, are subject to change at any time based on market and other current conditions, and no forecasts can be guaranteed. This commentary is being provided as a general source of information and is not intended as a recommendation to purchase, sell, or hold any specific security or to engage in any investment strategy. Investment decisions should always be made based on an investor's specific objectives, financial needs, risk tolerance and time horizon.

**Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit [weitzinvestments.com](https://weitzinvestments.com) for the most recent month-end performance.**

Investment results reflect applicable fees and expenses and assume all distributions are reinvested but do not reflect the deduction of taxes an investor would pay on distributions or share redemptions. Net and Gross Expense Ratios are as of the Fund's most recent prospectus. Certain Funds have entered into fee waiver and/or expense reimbursement arrangements with the Investment Advisor. In these cases, the Advisor has contractually agreed to waive a portion of the Advisor's fee and reimburse certain expenses (excluding taxes, interest, brokerage costs, acquired fund fees and expenses and extraordinary expenses) to limit the total annual fund operating expenses of the Class's average daily net assets through 07/31/2025.

The Gross Expense Ratio reflects the total annual operating expenses of the fund before any fee waivers or reimbursements. The Net Expense Ratio reflects the total annual operating expenses of the Fund after taking into account any such fee waiver and/or expense reimbursement. The net expense ratio represents what investors are ultimately charged to be invested in a mutual fund. Performance quoted for Institutional Class shares before their inception (07/31/2014) is derived from the historical performance of the Investor Class shares and has not been adjusted for the expenses of the Institutional Class shares, had they, returns would have been different.

Index performance is hypothetical and is shown for illustrative purposes only. You cannot invest directly in an index. The **Russell 1000** measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 and includes approximately 1,000 of the largest securities based on a combination of their market cap and current index membership. The **S&P 500** is an unmanaged index consisting of 500 companies generally representative of the market for the stocks of large-size U.S. companies.

**Consider these risks before investing:** All investments involve risks, including possible loss of principal. These risks include market risks, such as political, regulatory, economic, social and health risks (including the risks presented by the spread of infectious diseases). In addition, because the Fund may have a more concentrated portfolio than certain other mutual funds, the performance of each holding in the Fund has a greater impact upon the overall portfolio, which increases risk. See the Fund's prospectus for a further discussion of risks related to the Fund.

**Investors should consider carefully the investment objectives, risks, and charges and expenses of a fund before investing. This and other important information is contained in the prospectus and summary prospectus, which may be obtained at [weitzinvestments.com](https://weitzinvestments.com) or from a financial advisor. Please read the prospectus carefully before investing.**

Weitz Securities, Inc. is the distributor of the Weitz Funds.