

Spotlight Fund of the Month

Quick Facts

BNY Mellon Dynamic Value Fund I (DRGVX)

Morningstar --- ☆☆☆☆☆

Category --- US Fund Large Value

Total Assets --- \$7.5 billion



Why We Like This Fund

BNY Mellon Dynamic Value Fund I (DRGVX) seeks to deliver long-term capital appreciation through large-cap value equity exposure. The strategy maintains a high active share, creating value for investors by identifying strong, undervalued securities for the fund. The investment process focuses on three critical security characteristics: strong fundamentals, attractive valuations, and positive catalysts. Typically investing at least 80% of net assets in domestic value stocks, the fund has the flexibility to introduce a variety of securities beyond common equity, including preferred stocks, convertible securities, initial public offerings, and foreign equity exposure. Sr. Portfolio Manager, Brian Ferguson, has directed the strategy through multiple business cycles and varied economic landscapes for over two decades. A strong, supportive management team and sound investment process have contributed to stellar performance through the years. Since Ferguson took over the strategy in 2003, the fund has returned an annualized 10.5%, outpacing 91% of large-value peers, and ranks 1st out of more than 1000 funds on a trailing 5-year basis. From a risk-adjusted perspective, the strategy outperforms its category average over 3-, 5-, and 10-year periods, generating higher Sharpe ratios and significantly more alpha.

Where to Use

The BNY Mellon Dynamic Value Fund I (DRGVX) delivers strong relative and absolute returns but can carry more beta exposure than large-cap value peers. That may imply higher volatility than some value investors are used to, but those willing to deal with minor, short-term turbulence have been handsomely rewarded. This fund is an ideal candidate for investors seeking to diversify concentrated, large-cap growth exposures or those hoping to benefit from broadening market leadership with consistent, quality portfolio management.

What are the Top-Rated Funds Lists?

The Top-Rated Mutual Funds and Exchange Traded Funds (ETF) Lists are resources that feature a list of equity, fixed income, and alternative mutual funds or ETFs that are selected by Osaic Research using proprietary screening criteria and selection methodology. The lists are designed to help you narrow the wide universe of funds available to a more manageable selection of higher-quality funds. Spectrums of asset class categories are covered. In most categories, you will find at least one risk-averse fund option and one option where the focus is geared more toward alpha generation, with the potential for higher volatility.

You can access the Top-Rated Funds Lists by visiting the Market Research page through Vision2020 or by reaching out to Research@Osaic.com.

Disclosures

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