

# Touchstone Small Cap Value Fund

Sub-Advised by: LMCG Investments, LLC

Value

3Q/2018

## Fund Facts (As of 09/30/18)

Class	Inception Date	Symbol	CUSIP	Annual Fund Operating Expense Ratio*	
				Total	Net
A Shares	03/01/11	TVOAX	89155T821	1.93%	1.48%
C Shares	03/01/11	TVOCX	89155T813	3.79%	2.23%
Y Shares	03/01/11	TVOYX	89155T789	2.05%	1.23%
INST Shares	03/01/11	TVOIX	89155T797	1.62%	1.08%

**Total Fund Assets \$155.3 Million**

\*Expense ratio is annualized. Data as of the current prospectus. Touchstone Advisors has contractually agreed to waive a portion of its fees and/or reimburse certain Fund expenses in order to limit certain annual fund operating expenses (excluding Acquired Fund Fees and Expenses "AFFE," and other expenses, if any) to 1.38% for Class A Shares, 2.13% for Class C Shares, 1.13% for Class Y Shares and 0.98% for Class INST Shares. These expense limitations will remain in effect until at least 01/29/19.

## Annualized Total Returns\*\* (As of 09/30/18)

Class	3Q18	YTD	1 Year	3 Year	5 Year	10 Year	Inception
Including Max Sales Charge							
A Shares	-4.29%	-1.72%	0.95%	11.10%	5.34%	7.30%	8.72%
C Shares	0.38%	2.70%	5.29%	12.45%	5.80%	7.13%	8.30%
Excluding Max Sales Charge							
A Shares	1.56%	4.28%	7.12%	13.31%	6.60%	7.94%	9.11%
C Shares	1.38%	3.70%	6.29%	12.45%	5.80%	7.13%	8.30%
Y Shares	1.66%	4.48%	7.41%	13.60%	6.87%	8.16%	9.25%
INST Shares	1.67%	4.57%	7.53%	13.75%	7.02%	8.26%	9.31%
Benchmark <sup>^</sup>	1.60%	7.14%	9.33%	16.12%	9.91%	9.52%	8.92%

Max 5.00% sales charge for Class A Shares and 1% Contingent Deferred Sales Charge for Class C Shares held less than 1 year.

## Calendar Year Returns\*\*

Class	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
A Shares	7.21%	27.84%	-13.92%	2.09%	32.27%	21.84%	-6.26%	25.82%	18.48%	-34.16%
Benchmark <sup>^</sup>	7.84%	31.74%	-7.47%	4.22%	34.52%	18.05%	-5.50%	24.50%	20.58%	-28.92%

<sup>^</sup>Benchmark - Russell 2000<sup>®</sup> Value Index<sup>1</sup>

Performance data quoted represents past performance, which is no guarantee of future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than performance data given. **For performance information current to the most recent month-end, visit [TouchstoneInvestments.com/pricing-performance](http://TouchstoneInvestments.com/pricing-performance).** From time to time, the investment advisor may waive some fees and/or reimburse expenses, which if not waived or reimbursed, will lower performance. Performance by share class will differ due to differences in sales charges and class expenses. Calendar year returns of the Fund and the Benchmark do not include the effects of the applicable sales charge which would lower returns. Returns assume reinvestment of all distributions. Returns are not annualized for periods less than one year.

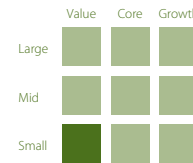
## Morningstar Ratings (As of 09/30/18)

	Overall	3 Year	5 Year	10 Year
A Shares	★★	★★★	★★	★★
C Shares	★★	★★	★★	★
Y Shares	★★	★★★	★★	★★
INST Shares	★★	★★★	★★	★★
Funds in Small Value Category	—	362	317	226

The Morningstar Rating<sup>™</sup> for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds and separate accounts) with at least a 3-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars, and the bottom 10% receive one star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. ©2018 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

**Class A Shares star ratings do not include any front-end sales load and are intended for those investors who have access to such purchase terms.**

**\*\*The performance presented for Class A, C, Y and INST Shares combines the performance of a predecessor class of shares (Z Shares). Class Z Shares inception date was 03/04/02. Class Z Shares were merged into Class A Shares on 06/10/11.**



## Objective

The Fund seeks long-term capital growth by investing primarily in stocks of small-cap companies.

## Investment Style

- Utilizes a classic value-driven fundamental investment process
- Seeks to identify companies believed to be selling at a discount to their intrinsic value
- Employs five valuation screens that seek to identify attractively priced securities
- Conducts in-depth research and analysis on the securities that pass the valuation screens in an effort to identify leading companies selling at attractive valuations
- Examines financial statements and assesses the company's management team, competitive strategy and its current market position

## Sub-Advisor

**LMCG Investments, LLC**

Managed Fund since 06/2016

## Portfolio Manager

**R. Todd Vingers, CFA**

- Investment Experience: Since 1990

Not FDIC Insured | No Bank Guarantee | May Lose Value



**Touchstone Investments<sup>®</sup>**  
DISTINCTIVELY ACTIVE<sup>®</sup>

**Fund Characteristics** (As of 09/30/18)

	Touchstone Small Cap Value Fund	Russell 2000® Value Index <sup>1</sup>
Total number of holdings <sup>^</sup>	96	1386
Active Share <sup>2</sup>	92	N/A
Morningstar market capitalization		
Giant	0.0%	0.0%
Large	0.0%	0.0%
Mid	40.2%	15.4%
Small	56.8%	71.5%
Micro	3.0%	13.2%
Weighted average market capitalization (\$ billion)	\$3.1	\$2.2
Median market capitalization (\$ billion)	\$2.9	\$0.8
P/E (wtd. harmonic avg.)	15.4x	9.0x
P/B (wtd. harmonic avg.)	1.9x	1.5x
Portfolio turnover rate <sup>3</sup>	63%	N/A

Source: Morningstar Direct

<sup>^</sup>Total number of holdings includes cash equivalents

<sup>2</sup>Active Share measures the percentage of the Fund's holdings that differ from those of the benchmark. It is calculated by taking the sum of the absolute difference between all of the holdings and weights in the portfolio and those of the benchmark holdings and weights and dividing the result by two.

<sup>3</sup>The portfolio turnover rate is annualized as of 09/30/17. Subject to change.

The Weighted Harmonic Average measures the valuation of the portfolio as a whole. For price/earnings ratio, it is the ratio of the portfolio's total market value in equities to its share of the underlying stocks' earnings. For price/book ratio, it is the ratio of the portfolio's total market value in equities to its share of the underlying book value. This method evaluates the entire portfolio like a single stock and it minimizes the impact of outliers.

**Top 10 Equity Holdings of Fund** (As of 09/30/18)

(% of Portfolio)		(% of Portfolio)	
1	MACOM Technology Solutions Holdings Inc.	2.6	2.6
2	Sterling Bancorp	2.3	2.3
3	Iberiabank Corp.	2.1	2.1
4	National General Holdings Corp.	2.0	2.0
5	Blackstone Mortgage Trust Inc.	1.9	1.9
6	Nexstar Media Group Inc.	1.8	1.8
7	Team Inc.	1.8	1.8
8	FNB Corp.	1.8	1.8
9	Viavi Solutions Inc.	1.8	1.8
10	Bank of N.T. Butterfield & Son Ltd.	1.8	1.8

Source: BNY Mellon Asset Servicing

**Portfolio Composition** (As of 09/30/18)

	(% of Portfolio)
Equities	94.9
Cash Equivalents	5.1

Source: Morningstar Direct

**Sector Allocation** (As of 09/30/18)

(% of Portfolio)	Touchstone Small Cap Value Fund	Russell 2000® Value Index <sup>1</sup>	(% of Portfolio)	Touchstone Small Cap Value Fund	Russell 2000® Value Index <sup>1</sup>		
1	Industrials	23.3	12.1	7	Healthcare	5.0	5.0
2	Financials	21.9	28.2	8	Utilities	4.1	6.0
3	Materials	10.7	4.4	9	Real Estate	3.8	11.5
4	Information Technology	8.8	10.3	10	Communication Services	3.6	3.0
5	Consumer Staples	8.4	2.5	11	Energy	3.5	7.5
6	Consumer Discretionary	6.9	9.5				

Source: Morningstar Direct

**Top 5 Industries of Fund** (As of 09/30/18)

	(% of Portfolio)	
1	Banks	16.7
2	Machinery	9.8
3	Chemicals	6.1
4	Food Products	6.0
5	Commercial Services & Supplies	4.3

Source: Morningstar Direct

There is no guarantee that the Fund will continue to hold any one particular security or stay invested in any one particular sector. Holdings are subject to change. Data may not total due to rounding.

The indexes mentioned are unmanaged statistical composites of stock market or bond market performance. Investing in an index is not possible.

<sup>1</sup>The Russell 2000® Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

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**A Word About Risk**

The Fund invests in equities which are subject to market volatility and loss. The Fund invests in stocks of small-cap companies, which may be subject to more erratic market movements than stocks of larger, more established companies. The Fund invests in value stocks which may not appreciate in value as anticipated or may experience a decline in value. Current and future portfolio holdings are subject to risk. The advisor engages the sub-advisor to manage the Fund's portfolio; the sub-advisor's judgment may impact the Fund's performance.

Please consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The prospectus and the summary prospectus contain this and other information about the Fund. To obtain a prospectus or a summary prospectus, contact your financial advisor or download and/or request one at [TouchstoneInvestments.com/literature-center](http://TouchstoneInvestments.com/literature-center) or call Touchstone at 800.638.8194. Please read the prospectus and/or summary prospectus carefully before investing.

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