

CLIPPER FUNDSM

Schedule of Investments
September 30, 2018 (Unaudited)

	Shares/Units	Value
COMMON STOCK – (93.05%)		
COMMUNICATION SERVICES – (13.80%)		
Media & Entertainment – (13.80%)		
Alphabet Inc., Class A *	41,810	\$ 50,468,015
Alphabet Inc., Class C *	52,972	63,220,493
ASAC II L.P. *(a)(b)	407,313	397,700
Facebook, Inc., Class A *	215,030	35,363,834
Naspers Ltd. - N (South Africa)	73,170	15,789,870
TOTAL COMMUNICATION SERVICES		165,239,912
CONSUMER DISCRETIONARY – (14.25%)		
Automobiles & Components – (3.27%)		
Adient PLC	996,159	39,159,010
Consumer Services – (2.51%)		
New Oriental Education & Technology Group, Inc., ADR (China)*	405,500	30,011,055
Retailing – (8.47%)		
Alibaba Group Holding Ltd., ADR (China)*	110,000	18,123,600
Amazon.com, Inc. *	41,546	83,216,638
		101,340,238
TOTAL CONSUMER DISCRETIONARY		170,510,303
ENERGY – (5.31%)		
Apache Corp.	1,333,999	63,591,732
TOTAL ENERGY		63,591,732
FINANCIALS – (40.35%)		
Banks – (11.39%)		
JPMorgan Chase & Co.	380,182	42,899,737
U.S. Bancorp	583,000	30,788,230
Wells Fargo & Co.	1,192,422	62,673,700
		136,361,667
Diversified Financials – (23.86%)		
Capital Markets – (5.59%)		
Bank of New York Mellon Corp.	1,312,723	66,935,746
Consumer Finance – (9.77%)		
American Express Co.	426,126	45,378,158
Capital One Financial Corp.	754,173	71,593,643
		116,971,801
Diversified Financial Services – (8.50%)		
Berkshire Hathaway Inc., Class A *	318	101,760,016
		285,667,563
Insurance – (5.10%)		
Property & Casualty Insurance – (5.10%)		
Markel Corp. *	51,337	61,013,511
TOTAL FINANCIALS		483,042,741
HEALTH CARE – (2.20%)		
Health Care Equipment & Services – (2.20%)		
Aetna Inc.	129,950	26,360,357
TOTAL HEALTH CARE		26,360,357
INDUSTRIALS – (15.44%)		
Capital Goods – (15.44%)		
Ferguson PLC (United Kingdom)	309,527	26,283,959
General Electric Co.	4,519,620	51,026,510
Safran S.A. (France)	194,228	27,218,877

	Shares/Principal	Value
COMMON STOCK – (CONTINUED)		
INDUSTRIALS – (CONTINUED)		
Capital Goods – (Continued)		
United Technologies Corp.	574,505	\$ 80,321,544
TOTAL INDUSTRIALS		184,850,890
MATERIALS – (1.70%)		
LafargeHolcim Ltd. (Switzerland)	411,214	20,300,758
TOTAL MATERIALS		20,300,758
TOTAL COMMON STOCK – (Identified cost \$736,800,875)		1,113,896,693
PREFERRED STOCK – (2.39%)		
CONSUMER DISCRETIONARY – (2.39%)		
Retailing – (2.39%)		
Didi Chuxing Joint Co., Series A (China)* (a)(b)	524,409	24,385,018
Didi Chuxing Joint Co., Series B (China)* (a)(b)	91,609	4,259,819
TOTAL CONSUMER DISCRETIONARY		28,644,837
TOTAL PREFERRED STOCK – (Identified cost \$24,712,474)		28,644,837
SHORT-TERM INVESTMENTS – (4.56%)		
INTL FCStone Financial Inc. Joint Repurchase Agreement, 2.28%, 10/01/18, dated 09/28/18, repurchase value of \$11,269,141 (collateralized by: U.S. Government agency mortgages and obligation in a pooled cash account, 1.55%-10.00%, 10/25/18-10/01/48, total market value \$11,492,340)	\$ 11,267,000	11,267,000
Mizuho Securities USA Inc. Joint Repurchase Agreement, 2.24%, 10/01/18, dated 09/28/18, repurchase value of \$4,084,762 (collateralized by: U.S. Government agency obligations in a pooled cash account, 2.50%-2.625%, 06/30/20-06/15/21, total market value \$4,165,680)	4,084,000	4,084,000
Nomura Securities International, Inc. Joint Repurchase Agreement, 2.27%, 10/01/18, dated 09/28/18, repurchase value of \$27,948,286 (collateralized by: U.S. Government agency mortgages in a pooled cash account, 2.50%-5.00%, 08/01/22-06/15/53, total market value \$28,501,860)	27,943,000	27,943,000
SunTrust Robinson Humphrey, Inc. Joint Repurchase Agreement, 2.28%, 10/01/18, dated 09/28/18, repurchase value of \$11,269,141 (collateralized by: U.S. Government agency mortgages in a pooled cash account, 2.18%-7.00%, 10/01/20-09/01/48, total market value \$11,492,340)	11,267,000	11,267,000
TOTAL SHORT-TERM INVESTMENTS – (Identified cost \$54,561,000)		54,561,000
Total Investments – (100.00%) – (Identified cost \$816,074,349)		1,197,102,530
Liabilities Less Other Assets – (0.00%)		(54,027)
Net Assets – (100.00%)		<u>\$ 1,197,048,503</u>

ADR: American Depositary Receipt

* Non-income producing security.

- (a) Restricted securities are not registered under the Securities Act of 1933 and may have contractual restrictions on resale. They are fair valued under methods approved by the Board of Directors. The aggregate value of restricted securities amounted to \$29,042,537 or 2.43% of the Fund's net assets as of September 30, 2018.
- (b) The value of this security was determined using significant unobservable inputs.

Security Valuation - The Fund calculates the net asset value of its shares as of the close of the New York Stock Exchange (“Exchange”), normally 4:00 P.M. Eastern time, on each day the Exchange is open for business. Securities listed on the Exchange (and other national exchanges including NASDAQ) are valued at the last reported sales price on the day of valuation. Listed securities for which no sale was reported on that date are valued at the last quoted bid price. Securities traded on foreign exchanges are valued based upon the last sales price on the principal exchange on which the security is traded prior to the time when the Fund’s assets are valued. Securities (including restricted securities) for which market quotations are not readily available or securities whose values have been materially affected by what Davis Selected Advisers, L.P. (“Adviser”), the Fund’s investment adviser, identifies as a significant event occurring before the Fund’s assets are valued but after the close of their respective exchanges will be fair valued using a fair valuation methodology applicable to the security type or the significant event as previously approved by the Fund’s Pricing Committee and Board of Trustees. The Pricing Committee considers all facts it deems relevant that are reasonably available, through either public information or information available to the Adviser’s portfolio management team, when determining the fair value of a security. To assess the appropriateness of security valuations, the Adviser may consider (i) comparing prior day prices and/or prices of comparable securities; (ii) comparing sale prices to the prior or current day prices and challenge those prices exceeding certain tolerance levels with the third-party pricing service or broker source; (iii) new rounds of financing; (iv) the performance of the market or the issuer’s industry; (v) the liquidity of the security; (vi) the size of the holding in a fund; and/or (vii) any other appropriate information. The determination of a security’s fair value price often involves the consideration of a number of subjective factors and is therefore subject to the unavoidable risk that the value assigned to a security may be higher or lower than the security’s value would be if a reliable market quotation of the security was readily available. Fair value determinations are subject to review, approval, and ratification by the Fund’s Board of Trustees at its next regularly scheduled meeting covering the calendar quarter in which the fair valuation was determined.

Short-term securities purchased within 60 days to maturity are valued at amortized cost, which approximates market value.

The Fund’s valuation procedures are reviewed and subject to approval by the Board of Trustees. There have been no significant changes to the fair valuation procedures during the period.

Fair Value Measurements - Fair value is defined as the price that the Fund would receive upon selling an investment in an orderly transaction to an independent buyer in the principal market for the investment. Various inputs are used to determine the fair value of the Fund’s investments. These inputs are summarized in the three broad levels listed below.

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund’s own assumptions in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risks associated with investing in those securities nor can it be assured that the Fund can obtain the fair value assigned to a security if it were to sell the security.

Fair Value Measurements – (Continued)

The following is a summary of the inputs used as of September 30, 2018 in valuing the Fund's investments carried at value:

	Investments in Securities at Value			
	Valuation Inputs			
	Level 1: Quoted Prices	Level 2: Other Significant Observable Inputs	Level 3: Significant Unobservable Inputs	Total
Common Stock:				
Communication Services	\$ 164,842,212	\$ –	\$ 397,700	\$ 165,239,912
Consumer Discretionary	170,510,303	–	–	170,510,303
Energy	63,591,732	–	–	63,591,732
Financials	483,042,741	–	–	483,042,741
Health Care	26,360,357	–	–	26,360,357
Industrials	184,850,890	–	–	184,850,890
Materials	20,300,758	–	–	20,300,758
Preferred Stock:				
Consumer Discretionary	–	–	28,644,837	28,644,837
Short-term securities	–	54,561,000	–	54,561,000
Total Investments	\$ 1,113,498,993	\$ 54,561,000	\$ 29,042,537	\$ 1,197,102,530

The following table reconciles the valuation of assets in which significant unobservable inputs (Level 3) were used in determining fair value during the nine months ended September 30, 2018. The net change in unrealized appreciation (depreciation) during the period on Level 3 securities still held at September 30, 2018 was \$(2,724,103). There were no transfers of investments into or out of Level 3 of the fair value hierarchy during the period. The cost of purchases or proceeds from sales may include securities received or delivered through corporate actions or exchanges.

	Beginning Balance January 1, 2018	Cost of Purchases	Net Change in Unrealized Appreciation (Depreciation)	Net Realized Gain (Loss)	Proceeds from Sales	Ending Balance September 30, 2018
Investments in Securities:						
Common Stock	\$ 391,550	\$ –	\$ 6,150	\$ –	\$ –	\$ 397,700
Preferred Stock	31,375,090	–	(2,730,253)	–	–	28,644,837
Total Level 3	\$ 31,766,640	\$ –	\$ (2,724,103)	\$ –	\$ –	\$ 29,042,537

The following table is a summary of those assets in which significant unobservable inputs (Level 3) were used by the Adviser in determining fair value. Note that these amounts exclude any valuations provided by a pricing service or broker.

	Fair Value at September 30, 2018	Valuation Technique	Unobservable Input(s)	Amount(s) or Range	Impact to Valuation from an Increase in Input
Investments in Securities:					
Common Stock	\$ 397,700	Discounted Cash Flow	Annualized Yield	3.61%	Decrease
Preferred Stock	28,644,837	Market Approach	Transaction Price	\$46.50	Increase
Total Level 3	\$ 29,042,537				

The significant unobservable inputs listed in the above table are used in the fair value measurement of equity securities, and if changed, would affect the fair value of the Fund's investments. The transaction price input is attributable to a private security and includes assumptions made from private transactions. The "Impact to Valuation from an Increase in Input" represents the change in fair value measurement resulting from an increase in the corresponding input. A decrease in the input would have the opposite effect.

Federal Income Taxes

At September 30, 2018, the aggregate cost of investments and unrealized appreciation (depreciation) for federal income tax purposes were as follows:

Cost	\$	816,950,350
Unrealized appreciation		412,156,147
Unrealized depreciation		<u>(32,003,967)</u>
Net unrealized appreciation	\$	<u>380,152,180</u>

For information regarding the Fund's other significant accounting policies, please refer to the Fund's most recent Semi-Annual or Annual Shareholder Report.