

The Partners III Opportunity Fund's Institutional Class returned -0.57% in the third quarter, compared to -3.25% for the Russell 3000. Year-to-date, the Fund's Institutional Class has returned +10.70% compared to +12.39% for the Russell 3000.

After posting double-digit positive returns for the first half of 2023, stocks took a breather in the third quarter, as did bonds. The great debate over inflation and monetary policy rages on. Year-over-year price increases have slowed materially but remain stubbornly above the Fed's 2% long-term objective. Whether or not the Fed will raise short-term rates again is anyone's guess. But the third quarter's lackluster returns, particularly in bond markets, suggest investors are coming to terms with the Fed's "higher for longer" message.

Monetary policy is famously said to operate with "long and variable lags," meaning the impact on consumers and the economy will only be fully known in hindsight. Some portions of the economy, like the labor market, have remained resilient thus far while more rate-sensitive corners already feel pain. Surging mortgage rates, for example, have significantly pressured consumers' ability to purchase a new home. In their own words, the Fed is "navigating by the stars under cloudy skies" and investors are similarly looking out over a cloudy horizon. In our estimation, such conditions reinforce our desire to own a collection of high-quality, durable businesses led by talented management teams capable of navigating uncertain times and potentially coming out the other side even stronger.

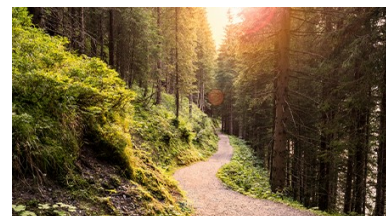
Liberty Broadband Corp. (LBRDA) led the positive contribution pack this quarter. Concerns regarding fiber overbuilding and wireless substitution from Charter's core broadband offering have lessened, while the company's footprint expansion has increased its addressable market. Liberty SiriusXM (LSXMK) successfully separated its holdings of satellite radio provider Sirius XM Holdings, Inc., (SIRI) and live entertainment / ticketing leader Live Nation Entertainment, Inc., (LYV) into distinct tracking stocks. Liberty management later proposed an outright combination with SiriusXM, whereby all shareholders would own shares directly in the newly combined entity. If such a deal is made, it would collapse the tracking stock structure which historically traded below its mark-to-market value.

Meta Platforms, Inc., (META) has been the standout contributor this year on the back of a nearly +150% return. Meta's "year of efficiency" (an initiative to cut costs and create a leaner organization) has bolstered profitability while operating results show renewed momentum. The spread of similar austerity measures to other technology companies have bolstered their returns, while companies perceived to benefit from advances in artificial intelligence have seen even stronger rallies. Within our portfolio, Google parent Alphabet, Inc., (GOOG), Amazon.com, Inc., (AMZN), and Microsoft Corp. (MSFT) have enjoyed returns greater than 30% this year. Finally, the Fund's large weighting in Berkshire Hathaway, Inc. (BRK/B) magnified its market-like return into position as a top contributor. Alphabet and Berkshire Hathaway were both top contributors for the quarter as well.

On the negative side of the ledger, CoreCard Corp. (CCRD) and Perimeter Solutions SA (PR) were material detractors for both the quarter and year-to-date periods. CoreCard provides payment processing for Goldman Sachs Group, Inc.'s, (GS) credit card business, including the Apple Card. Press speculations suggest Goldman Sachs has considered moving the Apple relationship to a new provider, despite having recently signed a new, two-year contract with CoreCard. We are monitoring developments closely, and a range of potential outcomes are possible, including CoreCard retaining the processing function even if Goldman selects a new provider for other service elements. Perimeter Solutions, the leading provider of fire retardants and firefighting foam, experienced weakened quarterly results due to a decline in wildfire activity, particularly in its largest market, California. Acres burned this year have been significantly below average, diminishing cash flow and obscuring the company's potential earnings power in a more typical year.

Qurate Retail, Inc., (QRTEP) continues to make full dividend payments on our preferred shares, but tangible signs of operating improvement remain elusive. In the coming quarters, management's "Project Athens" plan (a multi-year turnaround plan designed to stabilize Qurate's core business and expand its leadership in video streaming commerce) is projected to deliver cost savings and margin expansion opportunities that we will evaluate closely. CarMax, Inc., (KMX) and Costar Group, Inc., (CSGP) round out the quarterly detractors list, though we note both have delivered positive performance contributions year-to-date.

Despite positive returns in the third quarter, both Liberty SiriusXM and Fidelity National Information Services, Inc., (FIS) join Perimeter and CoreCard as top year-to-date detractors. Lastly, we decided to sell our shares of The Charles Schwab Corporation (SCHW) during the first quarter as the regional banking crisis unfolded. The decision effectively locked in Schwab's negative impact on Fund performance but has no bearing on forward-looking returns. Nevertheless, it is likely Schwab will remain on our detractors list for the balance of 2023.



VALUE MATTERS: Perspective Over Predictions

As uncertainty again proves to be a certain condition - we continue to believe companies with competitive advantages, smart and flexible management teams, and solid finances will always find ways to move forward, build business value, and earn higher stock prices.

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During the third quarter, Laboratory Corp. of America Holdings (LH) spun off shares of its clinical trial management business, Fortrea Holdings, Inc., (FTRE). We elected to sell our shares shortly upon receipt, as the initial stock price exceeded our base-case business value estimate. We also sold our remaining shares of Black Knight, Inc., (BKI) on the good news that the Federal Trade Commission had agreed to drop its objection to Black Knight's business combination with Intercontinental Exchange, Inc., (ICE). We initiated a short position in shares of Live Nation, a (partial) pair trade alongside our newly received Liberty Live Nation shares. Like Liberty SiriusXM, Liberty Live (LLYVK) trades at a material discount to our estimated mark-to-market value. Shorting a portion of the tracker's underlying asset is a way for us to monetize a portion of this discount ourselves. (We have executed the same trade in SiriusXM at various points as well.) Other notable portfolio activities include trims of Alphabet, Amazon.com, CarMax, Liberty Broadband, and Markel Group, Inc., (MKL), partially offset by additions to LabCorp and Thermo Fisher Scientific, Inc., (TMO). At quarter-end, our gross long position was 92%, mostly unchanged from 93% at the end of June. Our short position was roughly 5% of gross assets, resulting in a net long position of approximately 87%.

Top Relative Contributors and Detractors

TOP CONTRIBUTORS (%)				
	Return	Average Weight	Contribution	% of Net Assets
Liberty Broadband Corp.	14.00	5.48	0.74	5.2
Alphabet, Inc.	8.98	6.25	0.53	6.3
Liberty Media Corp.-Liberty SiriusXM	9.34	3.80	0.41	3.8
Markel Group, Inc.	6.53	5.00	0.33	4.6
Berkshire Hathaway, Inc.	2.72	10.60	0.26	10.4

TOP DETRACTORS (%)				
	Return	Average Weight	Contribution	% of Net Assets
CarMax, Inc.	-16.94	3.73	-0.66	3.2
CoreCard Corp.	-21.11	2.58	-0.61	2.4
Perimeter Solutions SA	-26.18	2.03	-0.59	1.7
CoStar Group, Inc.	-13.69	2.95	-0.41	2.9
Texas Instruments, Inc.	-11.02	2.71	-0.30	2.7

Data is for the quarter ending 9/30/2023. 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 9/30/2023: Amazon.com, Inc., 4.7%; Apple, Inc., 0.0%; Black Knight, Inc., 0.0%; Fidelity National Information Services, Inc., 3.7%; Fortrea Holdings, Inc., 0.0%; Goldman Sachs Group, Inc., 0.0%; Intercontinental Exchange, Inc., 0.0%; Laboratory Corp. of America Holdings, 3.6%; Liberty Media Corp.-Liberty Live, 1.5%; Live Nation Entertainment, Inc., -0.5%; Meta Platforms, Inc., 3.6%; Microsoft Corp., 3.0%; Qurate Retail, Inc., 1.4%; Sirius XM Holdings, Inc., 0.0%; The Charles Schwab Corporation, 0.0%; and Thermo Fisher Scientific, Inc., 4.8%.

†Denotes short position

	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	(6/1/1983)		
WPOPX Institutional Class	-0.57	10.70	16.73	1.69	4.58	4.49	7.35	10.07	10.65	11.24	1.19	1.19
WPOIX Investor Class	-0.79	10.14	15.86	1.11	3.97	3.96	7.06	9.87	10.48	11.08	1.75	1.75
Russell 3000 Index	-3.25	12.39	20.46	9.38	9.14	11.27	9.68	9.68	10.41	10.73	-	-
S&P 500 Index	-3.27	13.07	21.62	10.15	9.91	11.91	9.71	9.82	10.50	11.01	-	-

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 10/20/2023, 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 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.

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.

On 12/30/2005, Partners III Opportunity Fund succeeded to substantially all of the assets of Weitz Partners III Limited Partnership. The investment objectives, policies and restrictions of the Fund is materially equivalent to those of the Partnership, and the Partnership was managed at all times with full investment authority by the Investment Adviser. The performance information includes performance for the Partnership. The Partnership was not registered under the Investment Company Act of 1940 and, therefore, were not subject to certain investment or other restrictions or requirements imposed by the 1940 Act or the Internal Revenue Code. If the Partnership had been registered under the 1940 Act, the Partnership's performance might have been adversely affected.

Performance quoted for Investor Class shares before their inception (08/01/2011) is derived from the historical performance of the Institutional Class shares and has not been adjusted for the expenses of the Investor 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 3000** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. 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.