



YTD as of 9/30/2021

Alpha Portfolio **+12.71%**

MARKETS

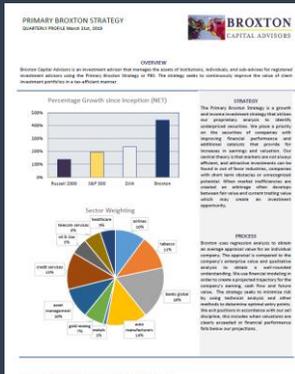
DOW JONES **+10.63%**
 S&P 500 **+14.78%**
 NASDAQ 100 **+14.02%**
 REIT INDEX **+19.84%**
 SMALL CAP **+11.57%**
 HIGH YIELD **+2.22%**

BOND YIELDS

10 YR TREAS **1.53%**
 YTD CHANGE **+68%**
 30 YR TREAS **2.09%**
 YTD CHANGE **+44%**

SINCE INCEPTION

THROUGH June 30, 2021
 BROXTON **540.83%**
 S&P 500 **373.68%**
 DOW JONES **368.11%**



We are experiencing a continuing delay at most port facilities with reports that up to 200,000 containers remain to be offloaded in Los Angeles. "We have about two weeks' worth of work sitting at anchor right now," Gene Seroka, the executive director of the Port of Los Angeles said in an interview with CNN. When will it end? If we are lucky ports will be able to catch up on the backlog in early 2022. Has there been any effect on the companies reporting 3rd quarter earnings? Not really, the majority of companies are benefitting from pricing power. Recently Ford reported a roughly 10% rise in the average vehicle wholesale price and many other industries are raising prices without pushback.



Bloomin Brands (BLMN): We initiated coverage on Bloomin' Brands with a buy. BLMN is an owner operator of the restaurant brands: Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar. System wide BLMN has a total of 1,484 restaurants including 321 franchised locations. Bloomin is having a stronger than average recovery in 2021 due to strategies such as digital and off-premise support and loyalty, initiated in 2019. This gave the company an additional boost coming out of the Pandemic. Q2 conference call: David Deno – CEO: "In second quarter of 2021 U.S. same-store sales were up 12.1% on a two-year basis versus 2019. This was 890 basis points ahead of the industry". Recently the shares have been under some pressure as the "reopening trade" has slowed down. This was partially due to the spike in Covid in late summer. BLMN trades at 7.5 X 2021 estimated earnings. [REPORT](#)

Broxton favorite Viacom is set to report earnings on Thursday. The company should have surpassed 100 million subscribers in the third quarter. At the end of second quarter the company reported 42 million monthly pay subscribers and 54 million subscribers on ad supported Pluto. Bob Bakesh: "Internationally, I think the thing to focus on is that the next wave of countries, we just launched Australia and in 2022 there's the Sky (Sky is Europe's largest media company), deal, which covers U.K., Germany and Italy. As I said, that will add millions of subscribers." VIAC added 9.3 million subscribers in Q2 easily passing Netflix, Hulu and Roku combined. Viac also indicated upward movement in subscription prices.

Deutsche Bank (DB): reported earnings and indicated they will have completed their transformation and will have concluded additional costs at the end of this year. DB is on track to begin distributing around 2.50 euro per share in 2022. If they paid this as a dividend the stock would probably trade over 25 Euros. CEO Christian Sewing: "The hierarchy of our 2022 priority remains unchanged and we are on track to meet our target of an 8% post-tax return on tangible equity and 70% cost income ratio. We also remain committed to beginning the distribution of the EUR 5 billion of capital from 2022 onwards. We're setting up a firm foundation to not only meet our 2022 ambitions, but to also position Deutsche Bank for future growth."

Broxton Capital Advisors

Broxton Capital is an investment manager located in San Juan and employs the Alpha Portfolio (AP). The AP is a growth and income investment strategy. The strategy attempts to continuously improve the value of investment portfolios by investing in equities, ETFs, including leveraged ETFs, options, bonds (investment grade and sub-investment grade, [which may also have limited liquidity]) and other securities. Long term strategies purchase securities which are underpriced according to our appraisal methodologies. Broxton uses regression analysis to obtain an average appraisal value for an individual company and places a priority on the securities of companies with improving financial performance and or additional catalysts that provide for increases in earnings and valuation. We use financial modeling in order to create a projected trajectory for the company's earnings, cash flows and future value. The strategy does not have any capitalization (market size), sector or industry allocation mandates. Broxton may also engage in certain types of activism in order to support positions and relay advantageous strategies to company managements. Broxton deploys technical analysis and momentum as indicators of movement for shorter term strategies, that may not involve deep fundamental analysis. Shorting (selling and then buying) of securities can be used as a long term or short-term strategy. We exit positions in accordance with our discipline, this includes when valuation targets are clearly exceeded or financial performance falls below our projections. Since the AP returns are calculated using a composite of accounts, the average account will not match the composite return and the return could be higher or lower. Broxton manages the Alpha Portfolio for other investment managers. The AP returns which are advertised or submitted to various databases are calculated using the accounts in the composite that are managed internally. Broxton is required to execute any trades internally first and then for other advisors second. Some advisor platforms prohibit or do not trade certain security types and some positions may be omitted for other reasons. In the case of smaller companies, we may judge that there are not enough shares traded to create a position at any or all advisors. Short term strategies may not be able to be implemented. Shares may trade at a higher or lower between purchasing at Broxton or one platform before another. Broxton uses a rotation strategy and attempts to obtain the best execution for all advisors. Any commentary is solely the opinion of the Broxton Capital Advisors. It refers to securities we hold in our portfolio and sometimes ones we are considering but does not represent a complete list of positions held at Broxton Capital Advisors. A complete list covering the last twelve months will be furnished upon request. Price targets are mentioned for information purposes only. Nothing contained herein constitutes a recommendation to purchase or sell securities at any designated price or time. All performance figures are net of fees and reflective of dividend reinvestment. As always, past performance does not guarantee future results. Please see the Alpha One Strategy Quarterly Performance for additional information regarding performance. Any intra quarter performance presented may change with additional auditing. The index performance presented above do not include fees or dividends and is derived from the following ETFs: DIA, SPY, QQQ, HYG, IWM and VNQ. The treasury yields are derived from the CBOE 10 and 30-year interest rate index. Please visit our web site to obtain additional information and read form ADV 2A.

www.broxtoncapital.com 310 208 2151