



YTD as of 11/30/2020
Alpha Portfolio **-8.516%**

MARKETS

DOW JONES **+4.04%**
S&P 500 **+1.45%**
NASDAQ 100 **+40.92%**
REIT INDEX **-9.47%**
SMALL CAP **+9.27%**
HIGH YIELD **-1.84%**

BOND YIELDS

10 YR TREAS **.84%**
YTD CHANGE **-1.08%**
30 YR TREAS **1.57%**
YTD CHANGE **-82%**

SINCE INCEPTION

THROUGH DEC 31, 2019
BROXTON **460.73%**
S&P 500 **240.02%**
DOW JONES **274.63%**

BROXTON PERFORMANCE

PRIMARY BROXTON STRATEGY
CONFIDENTIAL - PRIVATE MARKET ONLY

BROXTON CAPITAL ADVISORS

OVERVIEW
Broxton Capital Advisors is an investment advisor that manages the assets of individuals, institutions, and well advised high net worth individuals. Our primary focus is on the private market. We are a registered investment advisor in the state of California.

STRATEGY
The Broxton Strategy is a global, long-term investment strategy that seeks to generate superior returns over the long term. The strategy is based on the principle of diversification and is designed to provide a long-term, steady stream of income. The strategy is based on the principle of diversification and is designed to provide a long-term, steady stream of income.

PORTFOLIO
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Percentage Growth since Inception (NET)

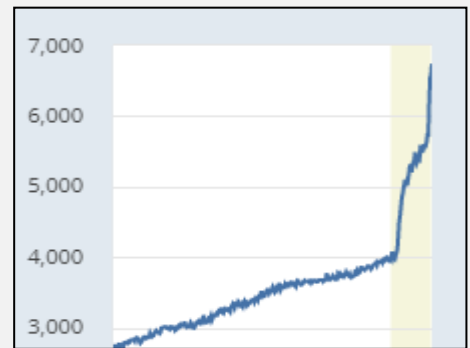
Asset Class	Percentage Growth since Inception (NET)
Private Equity	~100%
Real Estate	~50%
Art	~20%
Other	~10%

Sector Weighting

Sector	Weighting
Technology	~25%
Healthcare	~20%
Financial	~15%
Consumer	~10%
Energy	~10%
Other	~20%

ALPHA PORTFOLIO

In November, the market rallied with technology stocks leading the way again. Part of the reason for the rally was the heavy interventions by governments, which in general, deposited a lot of money into the financial systems of the world. Many investors were concerned that the massive stimulus and money injections could ultimately lead to inflation. Picture to the right: M1 money supply from 2015 to 2020 (in trillions). But, in 2020, annual inflation stood at -1.1% and average annual inflation at -0.1% (in 2019 they were 1.8 % and 1.6%, respectively). In 2020, goods prices went down on average by 1.7% with the greatest impact coming from lower oil prices. In December 2020, consumer prices were on average 0.3% lower than a month before.



Why we are having deflation with the giant amount of money being added to the world financial systems? In addition, financial assets skyrocketed with sharp increases in many commodities. So, what is going on? In essence there are three things: 1. The sharp slowdown in the economy due to the Corona virus caused a lot of commodity producers to reduce output with a prediction that the slowdown would continue. This led to lower inventories around the world, which in turn were depleted at a faster rate than predicted. As demand normalized the supply was less than normal and the result was higher prices in many commodities! Also regional weather played a role. 2. The general reduction in prices was due to the fact that although money was added to the system, 3. much of it went directly into financial assets and the real economy was left with a lower level of M1 money supply. To the right: A Zimbabwean 100-billion-dollar bill. A reminder of what can happen if a nation incurs hyperinflation.



TATA Motors (TTM): Tata recently unveiled plans to pay down 100% of debt over the next 3 years. Tata Motors manufactures and sells a range of automotive vehicles under the Tata, Daewoo, Fiat, Jaguar, and Land Rover brands. The company began a return to profit with significant positive cash flow in the 3rd quarter as sales and revenue recovered from the impact of Covid-19. China sales were particularly encouraging, up 14.6% on the prior quarter and 3.7% year-on-year. The pre Covid high for Tata was over \$50, so eliminating the debt could help the shares rise significantly.

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.

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