



YTD as of 10/31/2020

Alpha Portfolio **-14.46%**

MARKETS

DOW JONES **-7.03%**
S&P 500 **+1.45%**
NASDAQ 100 **+26.70%**
REIT INDEX **-17.46%**
SMALL CAP **-7.59%**
HIGH YIELD **-4.62%**

BOND YIELDS

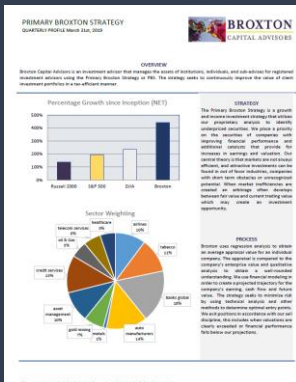
10 YR TREAS **.86%**
YTD CHANGE **-1.06%**
30 YR TREAS **1.64%**
YTD CHANGE **-0.75%**

SINCE INCEPTION

THROUGH DEC 31, 2019

BROXTON **460.73%**
S&P 500 **240.02%**
DOW JONES **274.63%**

BROXTON PERFORMANCE



The markets may be filled with trepidation regarding the upcoming election. However, the S&P 500 has predicted the election many times. If the index is up in the three months preceding the election this usually means a victory for the incumbent. In 2020 the market is actually down .1% since July 31st, signaling a super close call for Tuesday. We are not sure if election results actually will have an impact. The market rhetoric has shifted to the possibility of a blue wave, meaning that if there is a democratic sweep, it may be good for the stock market because the Democrats will collectively approve more stimulus and align both congress and the white house. Which party brings the best returns? Kiplinger: "When we do see a political influence, it is not what might be expected," writes Brad McMillan, chief investment officer for Commonwealth Financial Network. "The average Republican administration over that time period saw gains of 3.5% per year, while the Democrats saw gains of almost twice as much, at 6.7% per year." This trend is even more pronounced in recent decades. Since Bill Clinton's inauguration in 1993, U.S. equities have grown 14.5% on average while Democrats control the White House, according to YCharts data, against just 3% under Republican control.



Unisys (UIS): Unisys made major headway in the reduction of its pension liabilities which have hampered growth in the past; conference call: "As a reminder, I mentioned on the second quarter earnings call that we were planning to remove approximately \$1 billion in gross pension liabilities by the end of the first quarter 2021." In 2020 Unisys completed the sale of 20% of the company for \$1.2 billion. The proceeds were used to reduce debt and pension liabilities. This helped to increase cash flow by over 100% versus the prior year and sequentially. Peter A. Altabef, CEO of Unisys, was CEO of Perot systems when it was acquired by Dell and also CEO of Micros when it was sold to Oracle. It looks like with the major clean up of Unisys, Mr. Altabef may be aiming for one more sale. Wall Street may agree, the shares were recently higher even though there has been an increasing downturn in technology shares recently.

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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