



### YTD as of 2/28/2022

Alpha Portfolio **+50%**

#### MARKETS

DOW JONES **-6.60%**  
 S&P 500 **-8.07%**  
 NASDAQ 100 **-12.83%**  
 REIT INDEX **-11.61%**  
 SMALL CAP **-8.60%**  
 HIGH YIELD **-2.65%**

#### BOND YIELDS

10 YR TREAS **1.84%**  
 YTD CHANGE **+33%**  
 30 YR TREAS **2.18%**  
 YTD CHANGE **+28%**

#### SINCE INCEPTION

##### THROUGH Dec 31, 2021

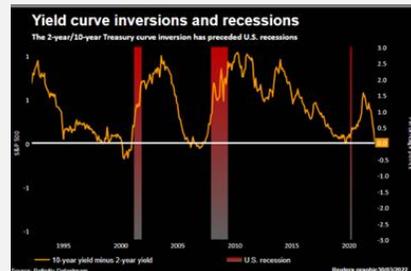
BROXTON **485.18%**  
 S&P 500 **428.97%**  
 DOW JONES **397.57%**



### SMART YIELD

Income Fund

So far 2022 has seen a sharp up move in most commodity prices. And there remains a question of whether we have seen the highs or not. To the right is a chart of the Invesco DB Commodity Index Tracking Fund, symbol: DBC. The fund saw an increase of as much as 40% before backing down. The fund has a heavy weighting in oil but also carries commodities like corn, gold, and wheat. Corn and wheat increased as much as 70% from the beginning of the year. However, if we look at the chart it seems that prices are pulling back, with the late March up move being smaller than the early March move, signaling a calming. We would not consider the up move to be over until the lows of mid-March are penetrated. The biggest movers? Coal and nickel were easily on the top mover list with increases of between 200 and 300% from the start of the year. Also, most of the price increases are a result of the concern from the Ukraine war which seems to be winding down. If so we would most likely see lower prices for most commodities.



Reuters: "An inverted Treasury curve has in recent decades been followed by a recession within two years, including the 2020 downturn caused by the COVID-19 pandemic". Basically, this means that when a 2-year treasury pays more interest than a 10-year we may have a recession. Byron Stead: "The effect of the recent massive government stimulus efforts are fading so we believe that there could be a slight slowdown".

We recently put out a [report on ZIM](#). Zim is ranked as the 10th largest container shipping company in the world. The port congestion led to a reduction in days available for container ships thus reducing the supply. The company has stated that they believe that 2022 will be stronger than 2021 before prices return to more normal levels.



## 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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