



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

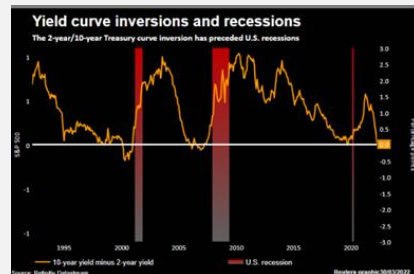
BROXTON **485.18%**
 S&P 500 **428.97%**
 DOW JONES **397.57%**



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

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