



**YTD as of 5/31/2021**

Alpha Portfolio **+21.89%**

**MARKETS**

DOW JONES **+13.03%**  
 S&P 500 **+12.35%**  
 NASDAQ 100 **+6.44%**  
 REIT INDEX **+17.60%**  
 SMALL CAP **+15.02%**  
 HIGH YIELD **-1.4%**

**BOND YIELDS**

10 YR TREAS **1.58%**  
 YTD CHANGE **+0.66%**  
 30 YR TREAS **2.26%**  
 YTD CHANGE **+0.61%**

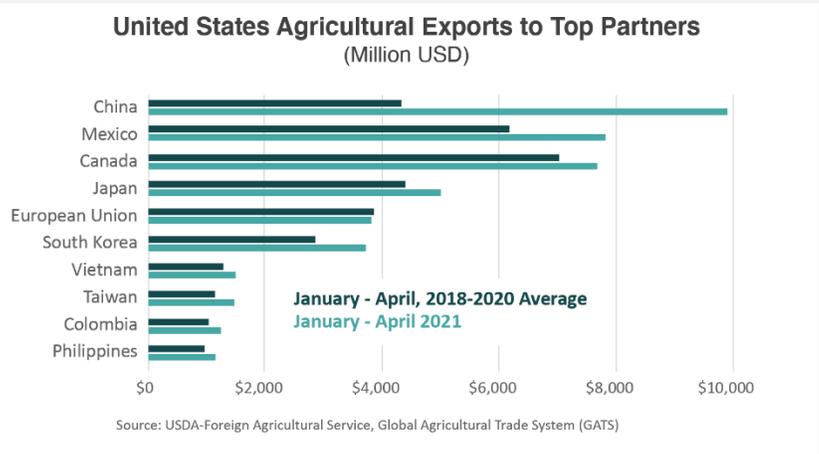
**SINCE INCEPTION**

THROUGH March 31, 2021

BROXTON **526.37%**  
 S&P 500 **336.37%**  
 DOW JONES **345.50%**



**Strong Agricultural Exports lead to Increased Prices:** In the U.S. we have about 900 million acres of farmland. This compares to about 400 million acres in China. In addition, we get a higher yield per acre for most agricultural goods. This helps explain why we saw a massive rise in agricultural exports to China to the highest level ever in 2020. USDA: "China is projected once again to become the top U.S. agricultural export market...Canada, formerly No. 1, would rank second with \$21 billion in purchases; followed by Mexico, \$19.5 billion; Japan, \$12.4 billion; and South Korea, \$8.2 billion. The top five countries account for around 55% of ag exports annually." Contributing to this was the fact the Chinese swine industry recovered faster than expected. The strong overseas demand helped fuel the massive up spike in bulk commodity shipping prices as well. The Baltic Dry index, which measures shipping of bulk commodities including iron ore, coal, and grain, hit a ten year high today (June 29<sup>th</sup>) up over 700% from the recent low in 2020. All types of shipping prices have spiked. How long will the higher prices last for shipping?? [Fitch Ratings-London-19 April 2021:](#) "Global freight rates will remain high in the short term but will moderate in the longer term once shipping supply-chain disruptions are cleared and more new ships are deployed ... Additional global shipping capacity will restore the market's supply and demand balance. However, there is a lag of two to three years between the placement of vessel orders (which typically happens when freight rates are high) and delivery!!!" Looks like this may take more than a year or two for shipping prices to go back down.



**PRIMARY BROXTON STRATEGY**  
 QUARTERLY REVIEW March 31st, 2021

**OUTSIDE**  
 Broxton Capital Advisors do not intend to sell this strategy to other investors, individuals, or other investors to represent investment advisors using the Primary Broxton Strategy or PBI. The strategy seeks to continuously improve the value of their investment portfolio in a risk-adjusted manner.

**CONCLUSION**  
 The Primary Broxton Strategy is a growth and income investment strategy that utilizes our proprietary research to identify, manage and monitor the value of growth, including financial performance and valuation, and provide a diversified portfolio of investments. The strategy seeks to provide a long-term, consistent, and stable return on investment.

**PROCESSES**  
 Broxton uses proprietary research to identify an average approach used for an individual company. This approach is composed of the analysis of "value" and "valuation" components. Broxton uses proprietary research to identify trends and opportunities for the company's growth. The strategy seeks to provide a long-term, consistent, and stable return on investment. Broxton also includes value-oriented and growth-oriented investments in its portfolio.

**Percentage Growth since Inception (SEIT)**

Year	Percentage Growth
2018	~100%
2019	~150%
2020	~200%
2021	~250%

**Sector Weighting**

Sector	Weighting
Technology	~15%
Healthcare	~15%
Financial	~15%
Consumer	~15%
Energy	~15%
Real Estate	~15%
Other	~15%

**THOR Industries, THO:** Thor is the largest manufacturer of RVs in North America, and one of the largest manufacturers of RVs in Europe as well. The Covid outbreak had an incredibly positive effect on the RV industry leading to a massive upturn in THO's order book. The recent price drop in THO shares from the \$150 area per share in to the low 100s (\$101.79 low) offers a buying opportunity for investors. From a trading standpoint, it may also be prudent to wait for a successful retest of the June \$101.79 low. Due to our cash build projection of over \$1.6 billion, 2021 PE ratio of 11, EV/EBITDA ratio of 7.65 X, and Thor's unique industry we believe the shares offer a good value at these levels. [Broxton Report](#)

## 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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