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FVAM Fund Quarterly Portfolio Report
Q2 - 2020

***Fanvestments FVAM Diversified Private Alternative Investment Fund
(FVAM)***

This Report describes the Fanvestments Diversified Private Alternative Investment Fund (the "Fund", "FVAM"). Fanvestments Corporation (the "Management"), a Rhode Island S-Corporation, serves as the Fund's Management Business. The following summary highlights information about the fund, during and as of the 2nd Quarter of 2020, and info about the fund's investment strategy and expectations. Except where the context otherwise requires or indicates, in this report, (i) "Fanvestments," "the Business," "we," "us", "Firm", "management" and "our" refer to Fanvestments Corporation and/or owner, and its Primary offering, with respect to FVAM, a Private Alternative Investment Fund, referred to as "the Fund", "the portfolio", or "FVAM".

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PRINCIPAL INVESTMENT STRATEGY

The FVAM Fund consists of a diversified portfolio of mixed asset-types, with a majority focus on equity investments ("stocks"), as well as fixed income (bonds and credit), and commodities, for the goal of price & capital appreciation, and to drive long-term positive durable returns through all types of economic and global financial cycles. FVAM's primary exposure focus is mostly within individual stocks with a long-bias, and some stock ETF exposure. Fund applies multiple strategies, from fundamental research looking at earnings, revenue, growth rates, and valuation, to analysing historical data and projecting future expectations. Combining that with technical analysis, studying charts and price action for trends, as well as trend change, price and timeframe analysis, overbought and oversold indicators, volume spikes leading to capitulation. The macro environment is very important as well, and will overlay macro research on top of the other research and overall portfolio analysis. Other strategies, more of a focus within a sector, such as biotech, looking for companies that are trying to find a cure for major diseases. Within Technology, to find innovation helping to shape the future, such as AI, Big Data, Cloud, Analytics, FinTech (financial technology), as well as to find the Founders that are all-in and have a sense of brilliance. Price and Returns tend to trump timeframe, but the fund does expect to hold most investments for multiple years, mid-to-long term. The Fund is actively-managed with a blended investment style, looking for Growth at a great Value, more of a "buy the blood" strategy - buy low-sell high, as a fundamental mindset. Fund will also seek to find opportunities within event-driven strategies, such as mergers, FDA approvals, momentum and fund flows, as well as unusual options action and potential buy-out/merger opportunities. Part of the investment style is to bring together a diversified multi-asset "401k retirement" portfolio approach, combined with hedge fund, institutional style investing involving individual stock picking alongside minimal hedging against general market risk, as well as having low market correlation producing fund-specific returns. "401k meets Alternative Investment fund". The FVAM fund will also invest in other investment funds, indexes, and ETFs from time to time, for opportunity and to obtain that much more diversification, and to lower overall volatility and risk. Searching all size businesses all around the world, but currently limited to only investing within U.S. exchanges. Only on a limited basis, and kept to very small exposure at most times, the fund does use multiple hedging strategies to protect from general stock market volatility, as well as downside risk within individual positions, or macro issues such as economic cycles, recessions, geopolitics. In most hedge cases, the fund will utilize options strategies for short exposure vs outright selling short, such as index/ETF options, VIX (volatility) options, positional hedges (puts or covered calls). Overall hedging exposure is kept low, utilizing more of a hedge by allocation strategy. Such as Diversification and Position sizing - asset allocation management, always monitoring positional exposure relative to risk of that position and overall portfolio size. As well as other portfolio management strategies - performance monitoring and risk management. Such as selling portions of gains, decreasing higher risk, increasing lower risk (lower reward) exposure, such as bonds, money market and cash. Since FVAM is not intending to mirror, or match the assets or performance of any other index or ETF, the fund's performance will not have any intention to directly match the performance of any other investment vehicle, ETF, or Index or have the same timing as the overall markets. An index, like the S&P 500, is also a collection of assets, with ~500 individual stock holdings. FVAM's intent is to have created its own unique investment vehicle, a diversified multi-asset fund (stocks, bonds, ETFs), with individual assets selected by Fanvestments Management, minimal market correlation, and less volatility vs market index. Utilizing a dynamic and perpetually improving investment strategy combining increased Portfolio Quality, constant Portfolio analysis, non-stop financial market study, risk and allocation management, along with relentless analysis of performance metrics, mathematics and statistics, with the goal of perpetual improvement. Matching up technical analysis for timing with Fundamental analysis for valuation, and overlaying Macro environment research to help find Global trends and determine overall Market risk.

Make the Money Make More Money .

Q2 Highlights

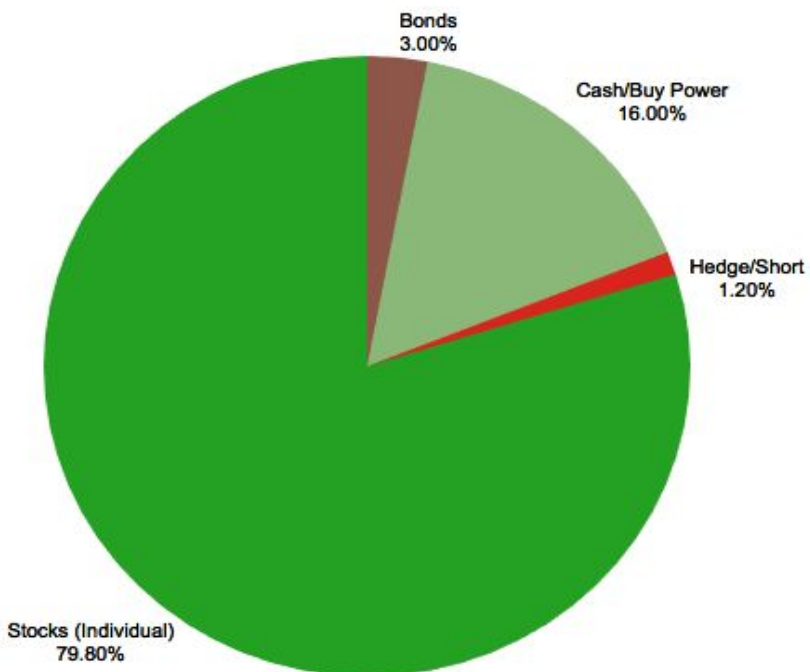
Within the 2nd Quarter of 2020, the FVAM fund was positive, producing a 1.9% return. The fund was up 0.71% in April, up 0.76% in May, and up 0.41% in June. For the Quarter, the S&P 500 was up about 18.5% (after being down 22.2% in the 1st quarter), while the ACWX (World Index minus-USA) was up almost 15% after being down 24% in the 1st quarter. Although there is no attempt to match the performance or timing of the S&P 500, along with mixed-asset exposure like bonds and credit, currency and/or commodity, lower risk & volatility, and with equity exposure around 80% of the fund, the fund's performance and volatility is analyzed against the index, an all-stock index. Overall for the quarter, most global markets were largely positive, but mostly only recouping some of their previous quarter's downside, while FVAM ending the 1st half of 2020 in positive territory, outperforming the S&P 500 by just over 4%. Another reference point, a more relative and important comparative benchmark for the fund is Warren Buffett's Berkshire Hathaway, using the BRK/b shares, was down ~2.4% for the 2nd quarter of 2020, while FVAM was up 1.9%.

Through the 2nd Quarter, a few of the fund's top performing investments were Abbvie and Inovio Pharma, with a previous hedge position in VIXY (volatility), now closed, remaining in the top 3. Following them up; Baidu (BIDU), Vir Biotechnology (VIR), Cloudera (CLDR), all adding gains, with shorter term positions in AMC and Southwest airlines (both currently closed), helping out as well. The fund almost always has at least a small amount of allocation towards hedging, with positions that tend to work in the inverse of the market, when markets pull back, volatility picks up (could also be said, when vol picks up, markets start to sell off) With the major sell-off in the overall markets in the 1st quarter, this did create some values across the board. The fund increased investments in Baidu, Cloudera, and Bluebird Bio, selling gains in Southwest, AMC, and Inovio. Also increased positions in Vir Biotech, Virgin Galactic (SPCE, sold in full in Q3). Fund initiated a new core position with Raytheon (RTX) as a longer-term investment. RTX was bought between 65 and 59 and is currently still in the low 60's, and currently has a 3.2% dividend yield. Stock hit a high at 100 early this year, and pulled back to the low 40's in the Q1 selloff alongside a decrease in Sales. They still produced over \$14 billion in net revenue in the 2nd quarter of 2020, with a backlog of over \$158 billion. Raytheon Technologies, as of 2020, is now a combination of Raytheon Co & United Technologies. Target price around \$120 (2-3 year timeframe) against a current book value at 48 would put it at 2.5 times book (5-yr average at 3x). 1 times Sales per Share would bring the stock to \$90, at \$120 makes that 1.3x. Can read more about Raytheon's 2nd quarter results here : [Raytheon Technologies Q2 Earnings](#)

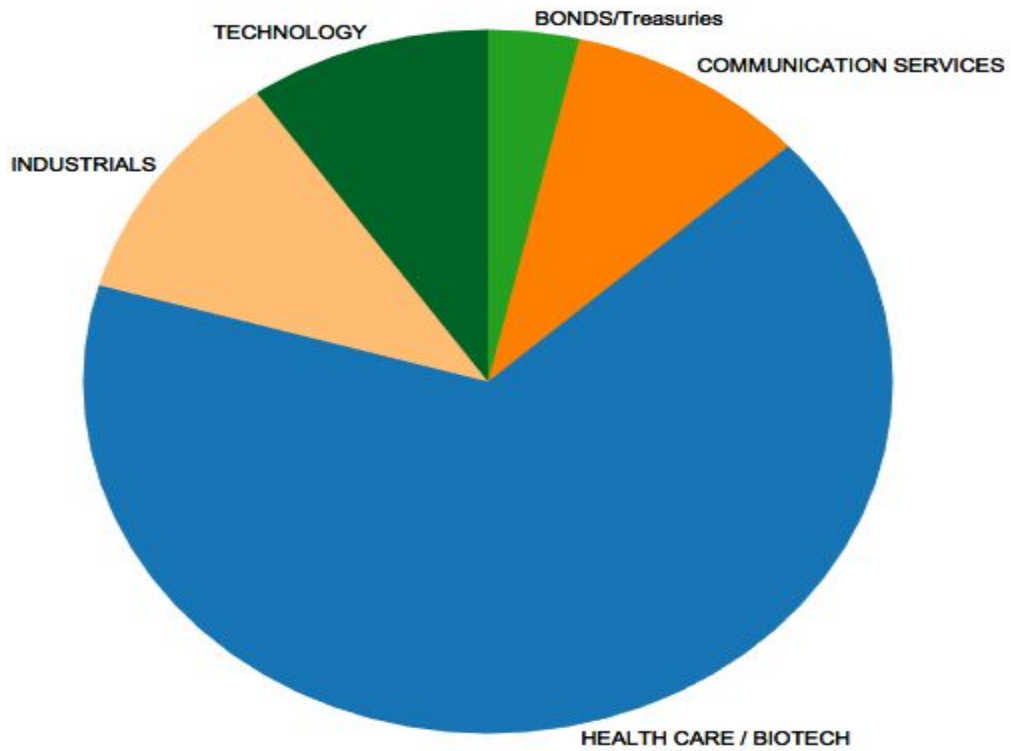
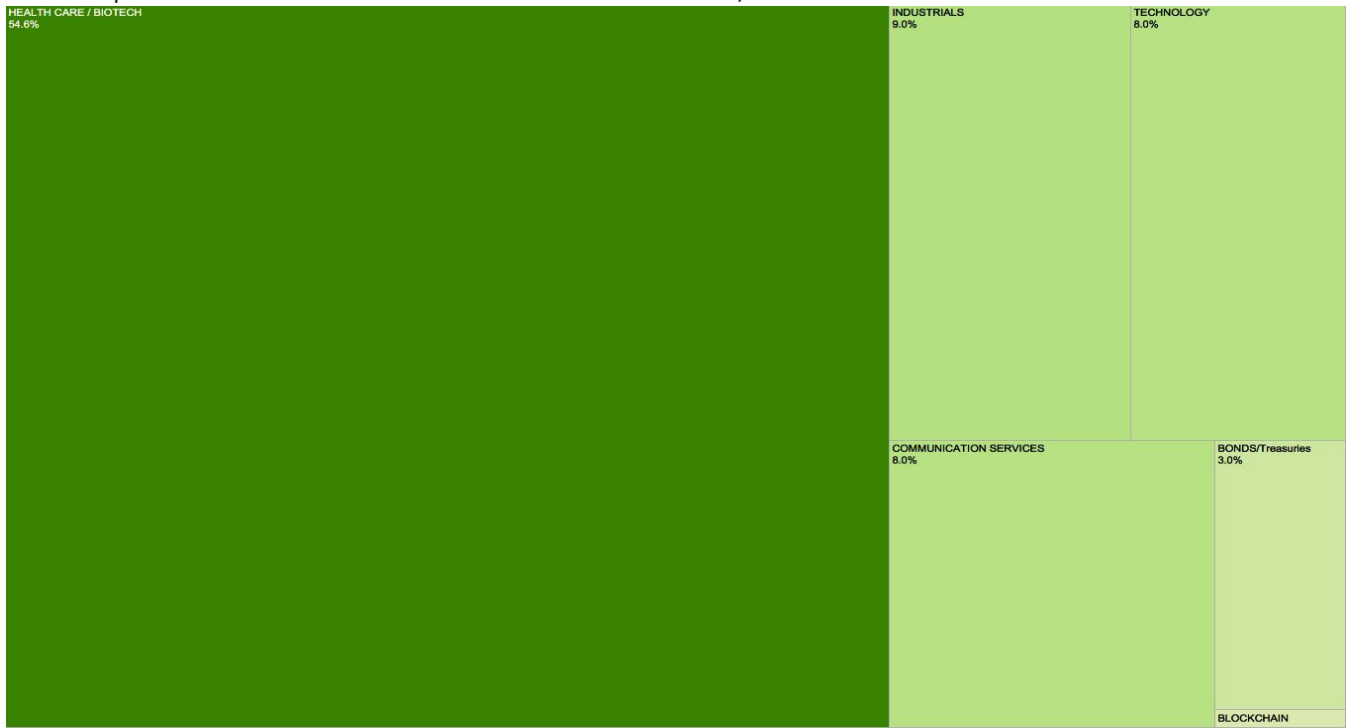
Looking into Q3 2020, some new positions were added in Silver (via etf \$SLV), Toll Brothers, Wynn Resorts, and Aerojet Rocketdyne, as well as Draftkings, Tesla, and Apple later in the quarter. Draftkings quickly one of the fund's top performers YTD, as sports begin to make a strong comeback. Toll Brothers is a higher-end Homebuilder, and a name brand within the US homebuilders. Demand has increased with homes and suburbs vs living in the city, and currently supply is not keeping up. This trend will bode very well for Toll. Between a pandemic, "work from home" becoming mainstream, supply & demand, as well as low rates, this trend should continue. Can read more about Toll Brothers here: [Toll Brothers Corporate Profile](#) Wynn Resorts, destination casino operator along with luxury hotels and entertainment, includes operations within Las Vegas, Macau (China), and a newer location in Boston, Massachusetts. Wynn's operations as a whole took a major hit with the pandemic of 2020, as the entire entertainment industry has, which also allowed for an opportunity to purchase shares at over a 60% discount from just a couple years ago. The fund started building a position in July and currently has an average price around \$73/share. At some point the world will get through the current pandemic and Wynn should bounce back substantially. Price target looking out a year at \$103, but looking out further and at a world not in crisis mode, expecting shares to get back above \$150. Can read more abouts their Wynn Resorts here: [Wynn Resorts Investor Information](#)

Below shows reporting created & analyzed within Data Analytics software, Tableau Software, which has data integration into the fund's internal database/spreadsheets. (*Portfolio Data as of August 2020)

High Level allocation heat map and pie chart:

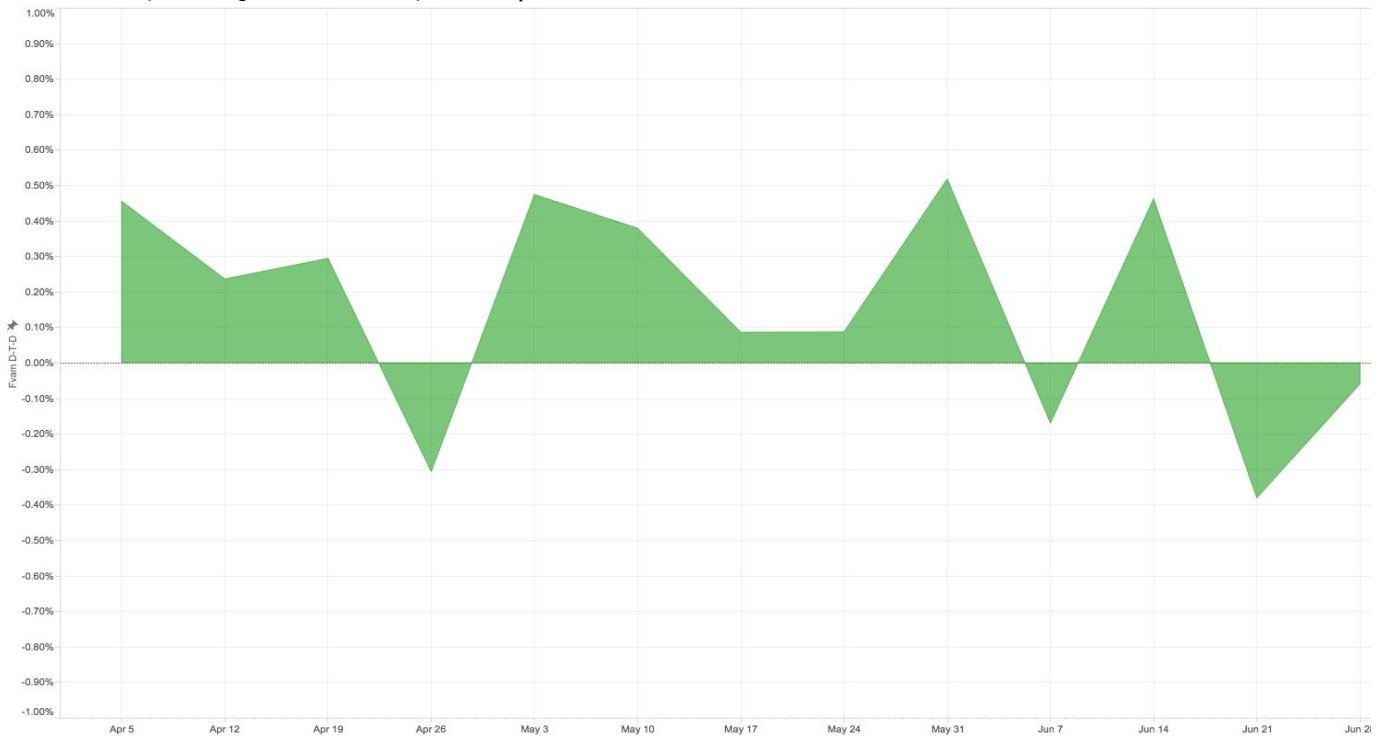


Below shows the further breakdown of only the fund's individual stock exposure. Currently, the heaviest focus of that exposure is allocated towards Healthcare and Biotech / Pharma investments.

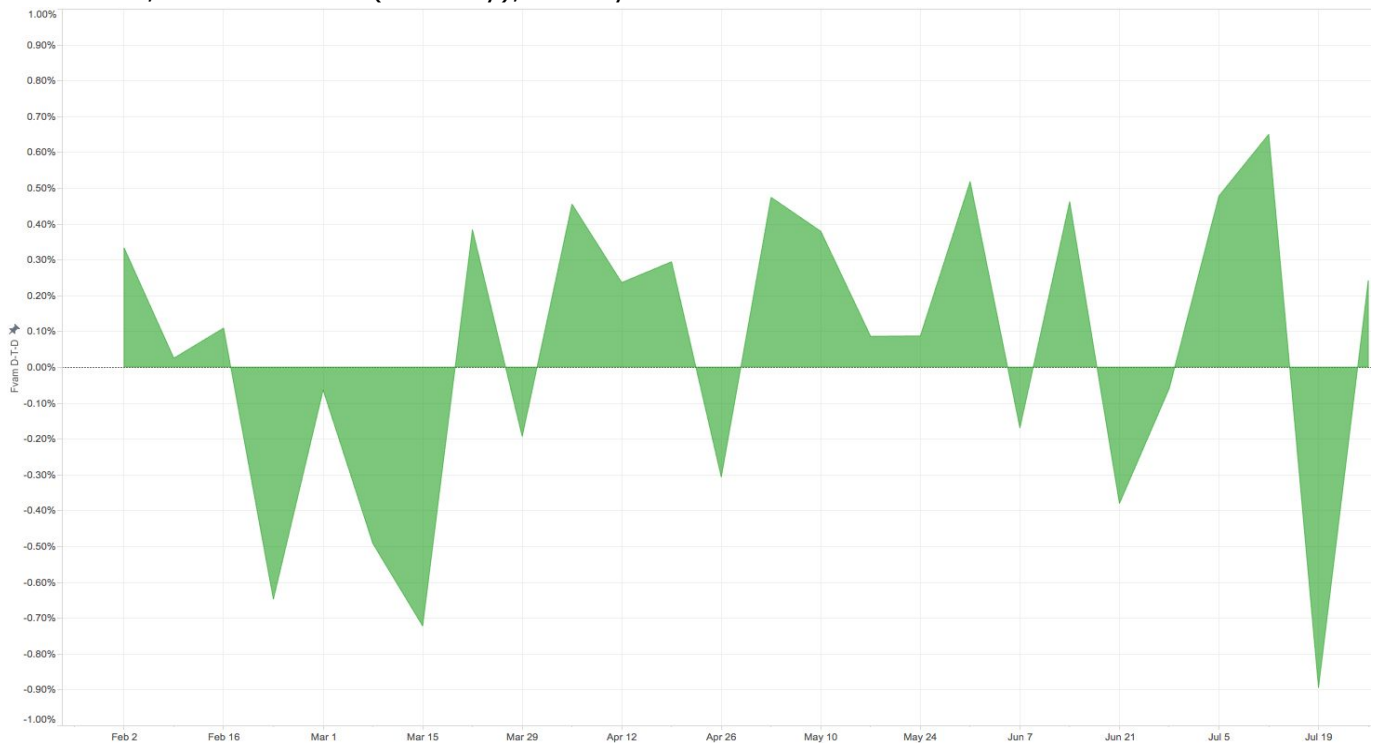


Performance Analysis: Analyzing the breakdown of the Fund's performance, as well as comparisons to other investment vehicles/index, such as the S&P 500, \$BRK-b (Warren Buffett's 'Berkshire Hathaway'), ACWX which tracks Global Markets minus the US (World x-US), and the Russell 2000 small cap index (\$IWM)

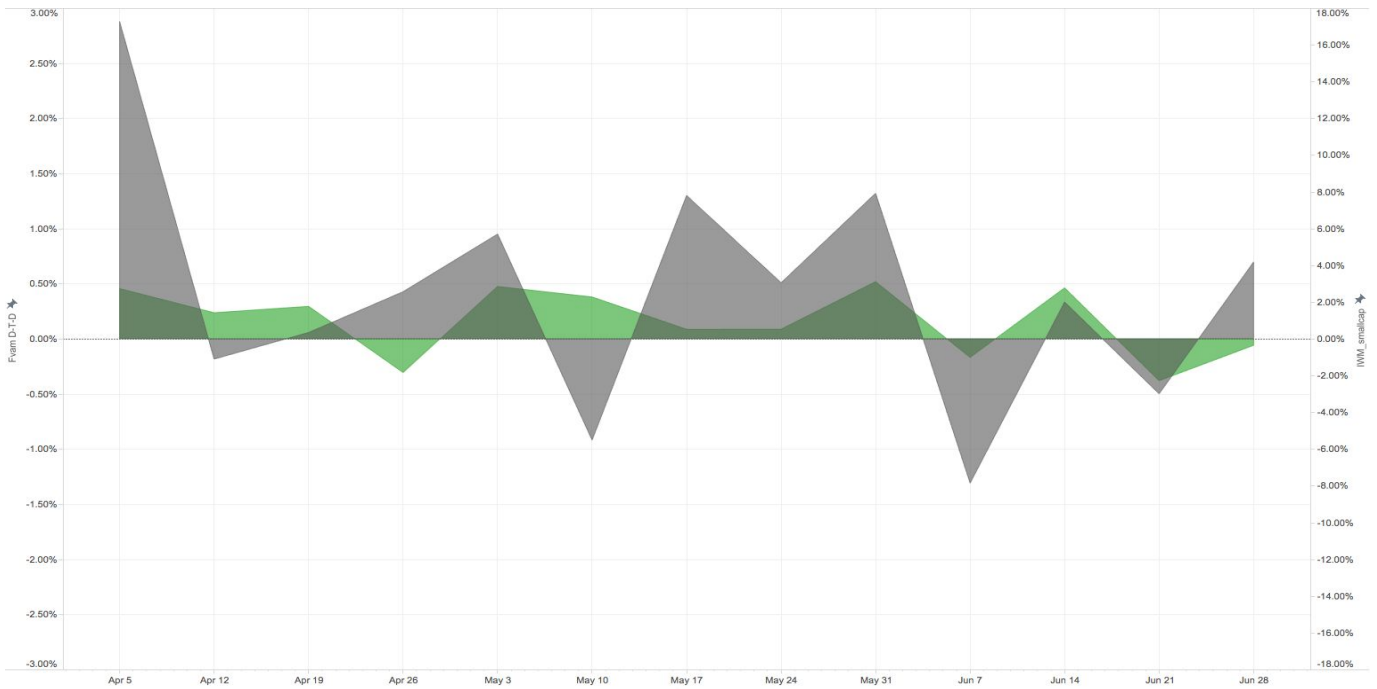
FVAM fund, 2nd Quarter 2020 , Weekly



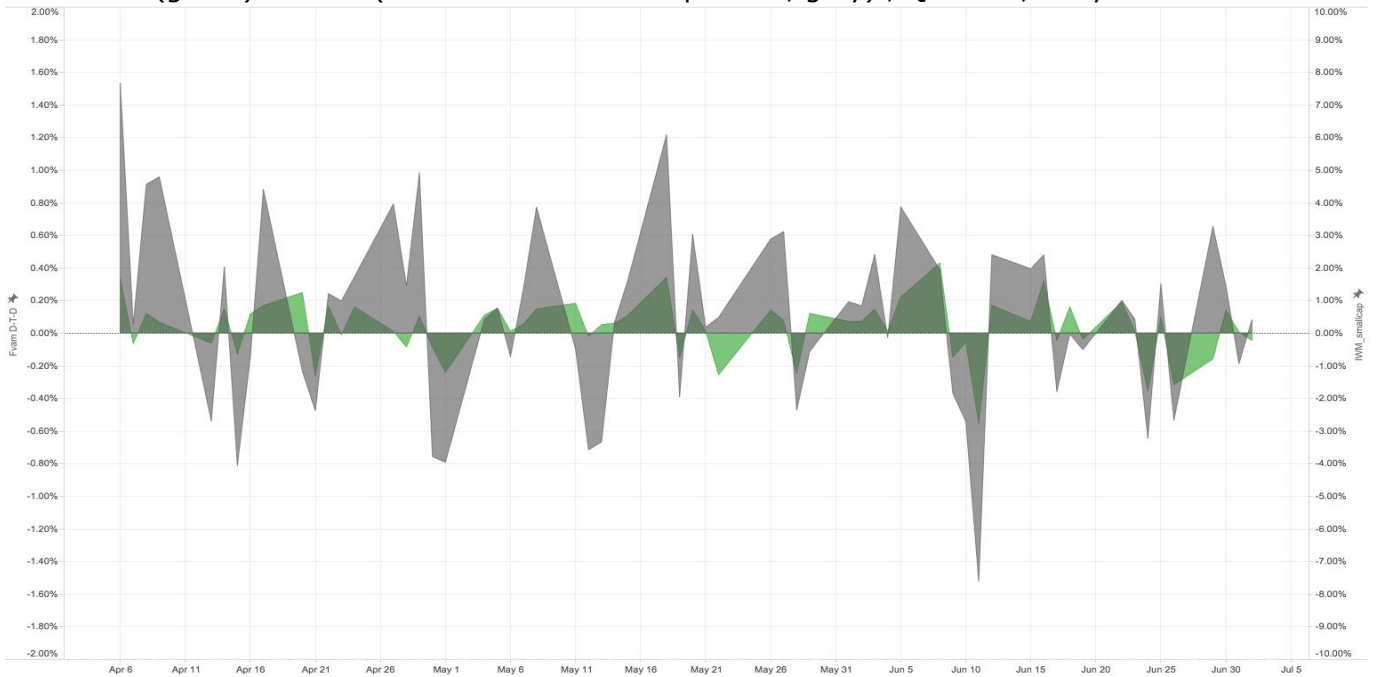
FVAM fund, 2020 Full-Year (thru July), Weekly



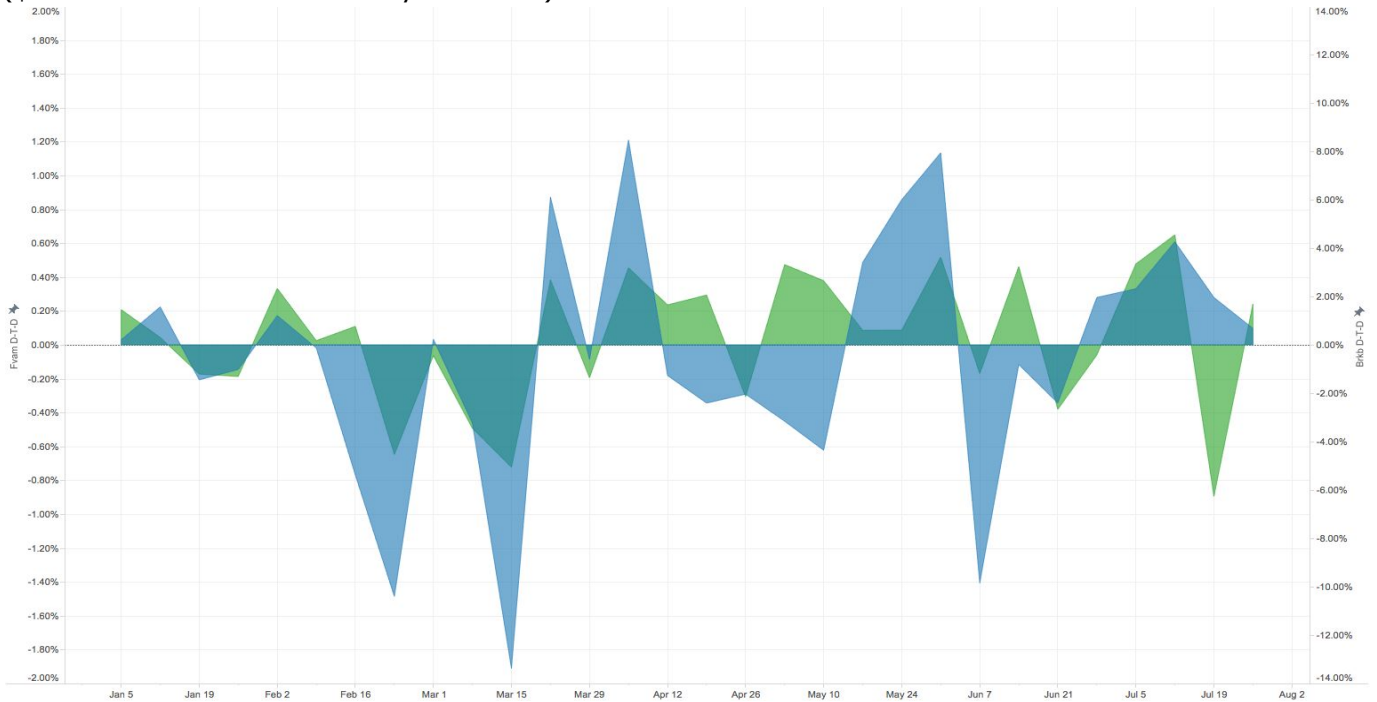
FVAM fund (green) vs IWM (Russell 2000 Small Cap Index, gray) , Q2 2020, weekly



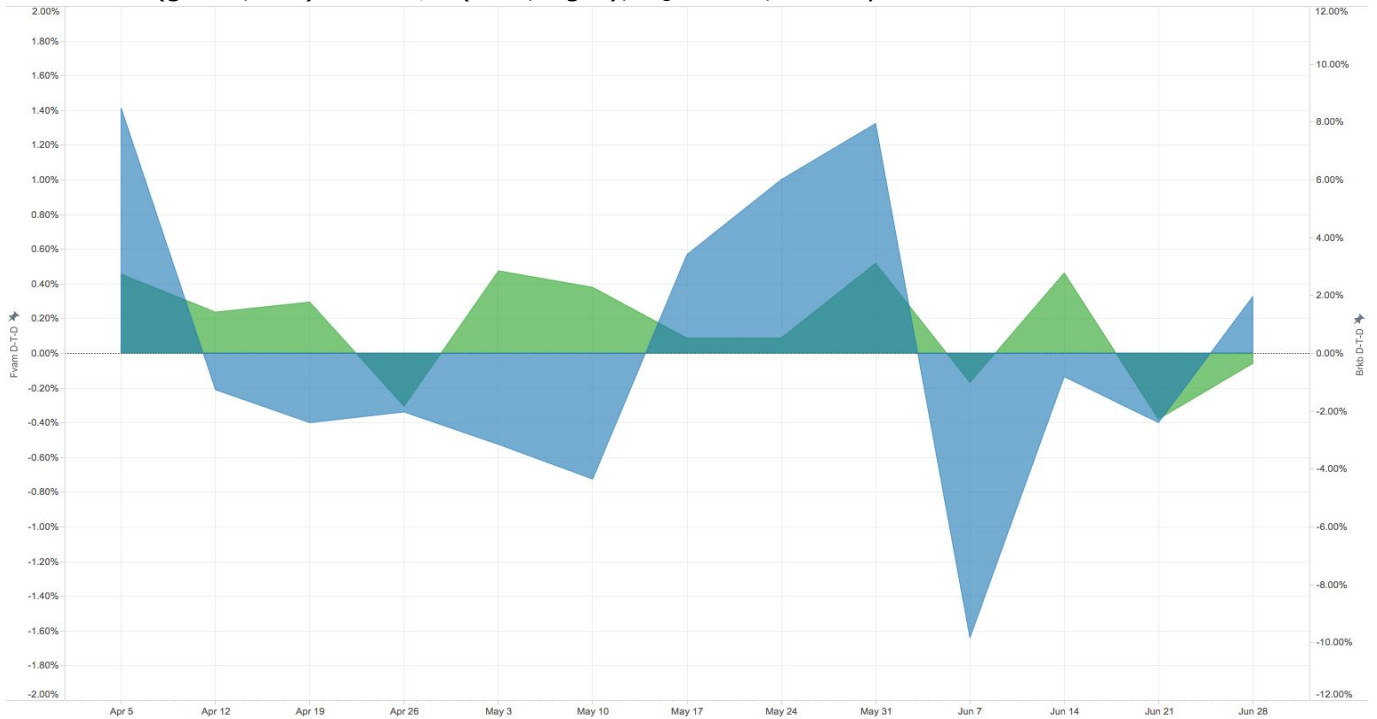
FVAM fund (green) vs IWM (Russell 2000 Small Cap Index, gray) , Q2 2020, Daily



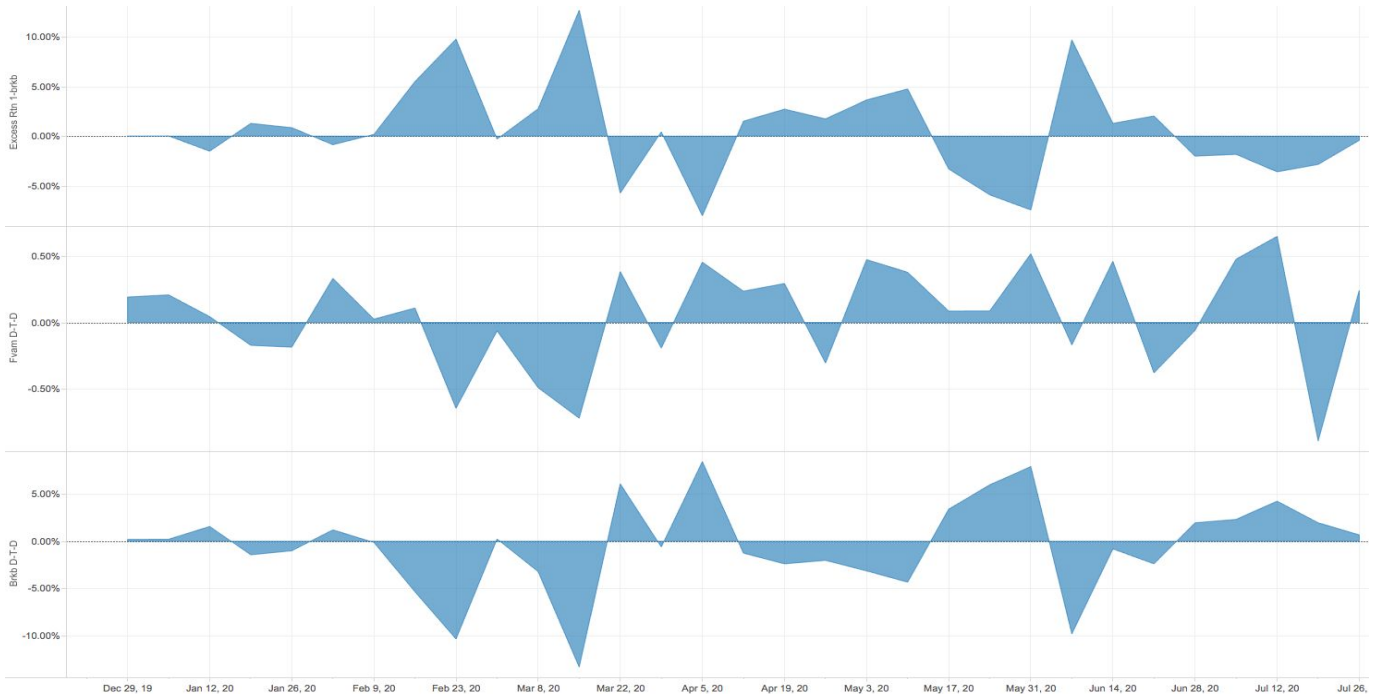
FVAM fund (green, left) vs BRK/b (blue, right), 2020 Year-to-Date (thru July), Weekly (\$BRK-B : Berkshire Hathaway B-shares)



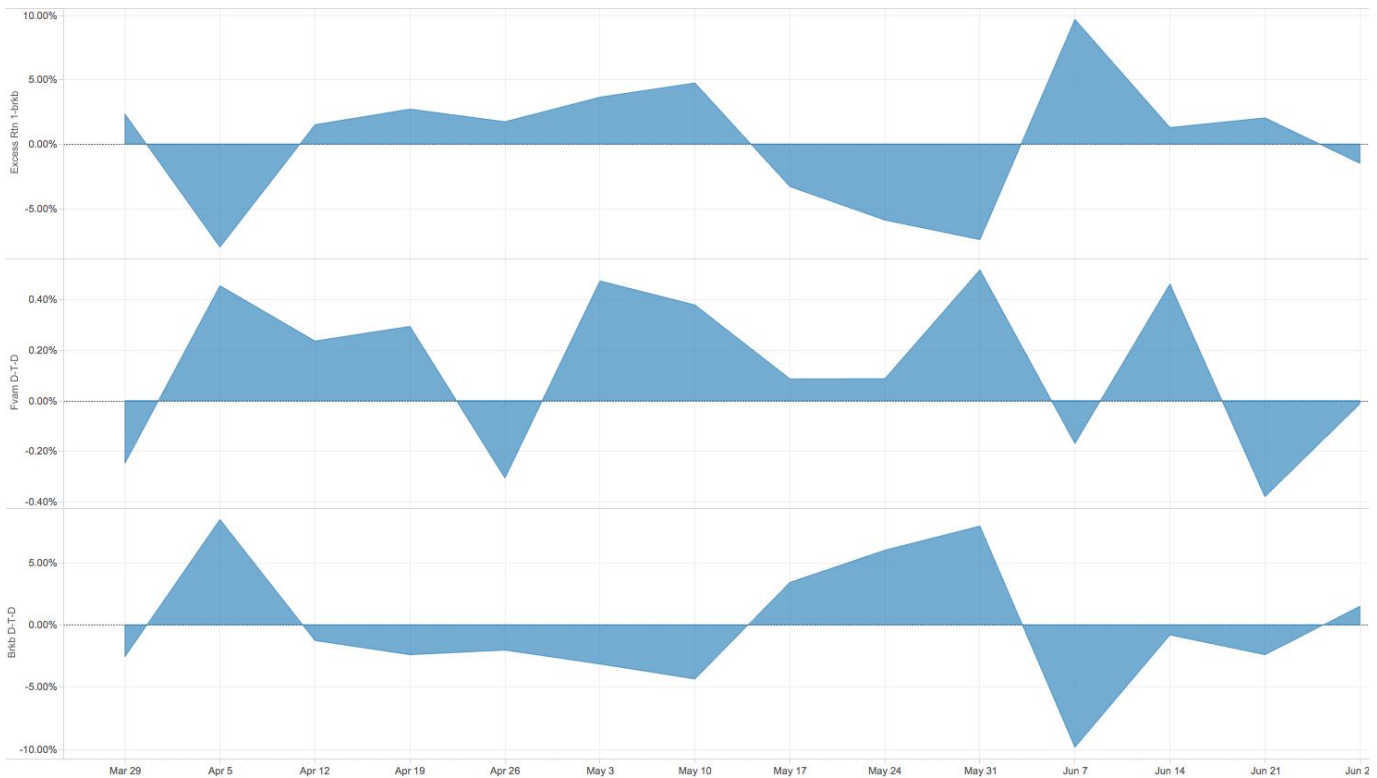
FVAM fund (green, left) vs BRK/b (blue, right), Q2 2020, Weekly



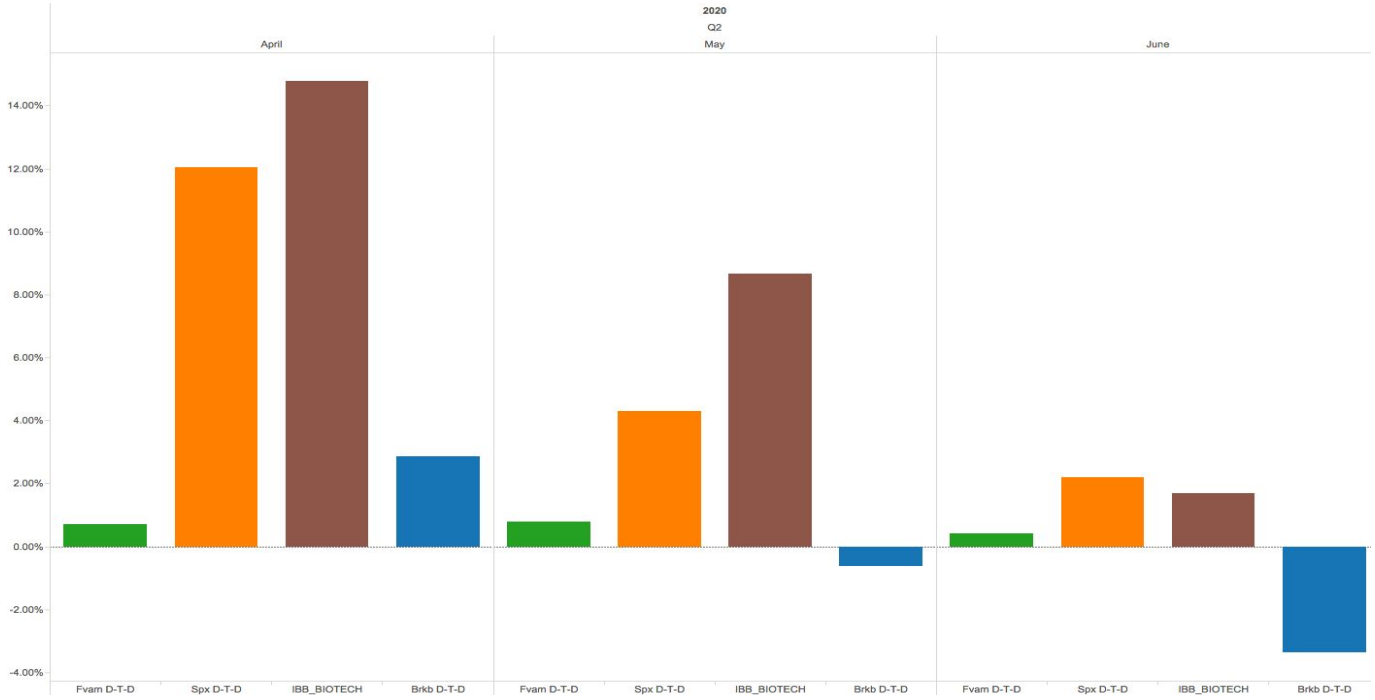
FVAM vs BRK/b and relative return (FVAM vs BRK/b), weekly, 2020 YTD (thru July)
 (excess, positive = outperformance, negative = underperformance)



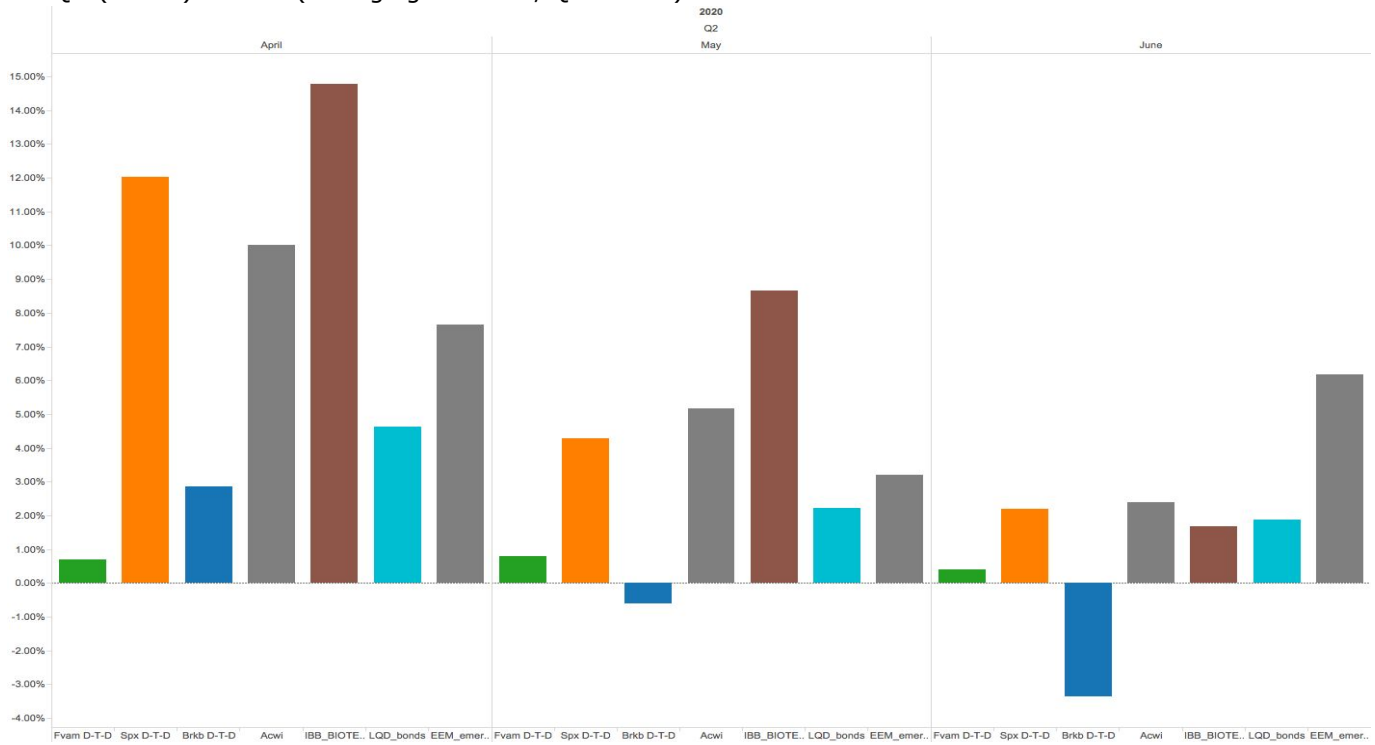
FVAM vs BRK/b and relative return (FVAM vs BRK/b), weekly, Q2 2020
 (excess, positive = outperformance, negative = underperformance)



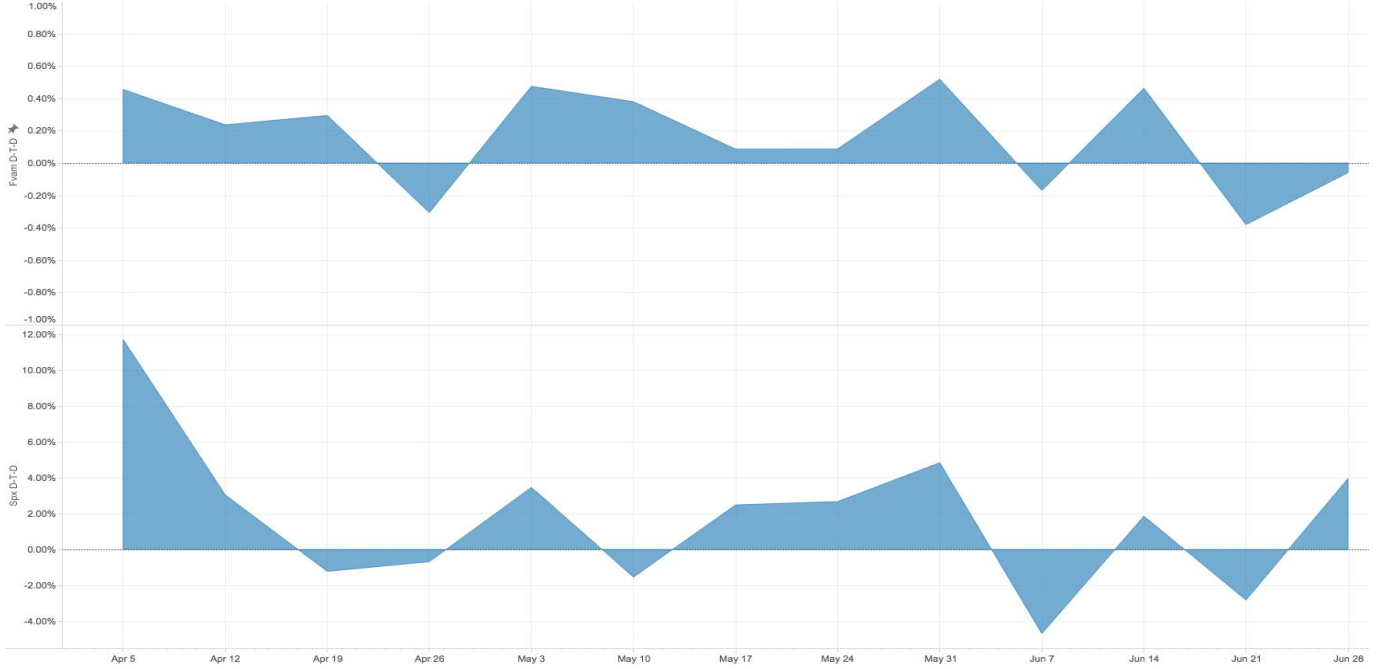
FVAM (Green) vs S&P500 vs IBB (BioTech Index Fund) vs BRK/b (Berkshire Hathaway) , 2nd Quarter - 2020



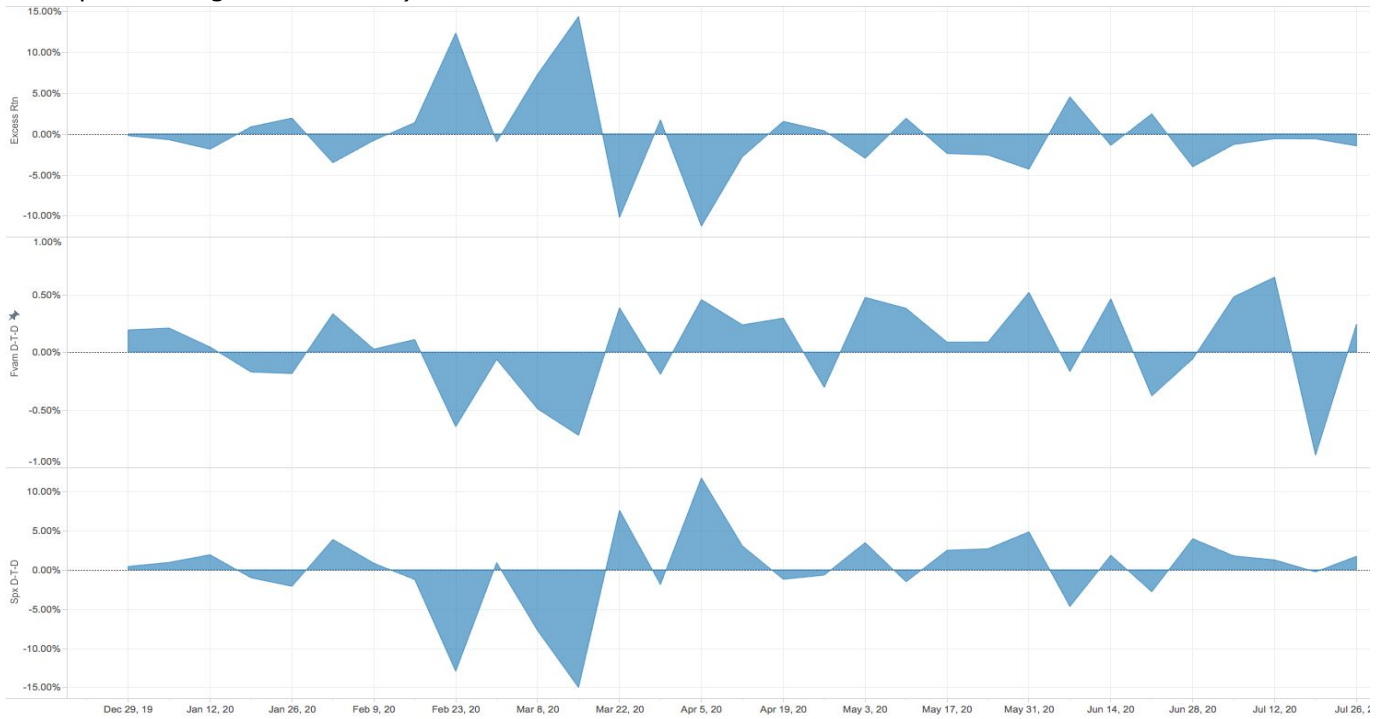
FVAM (green) vs S&P500 vs BRK/b (Berkshire Hathaway) vs ACWI (World Index) vs IBB (BioTech Index Fund) vs LQD (Bonds) vs EEM (Emerging Markets , Q2 - 2020)



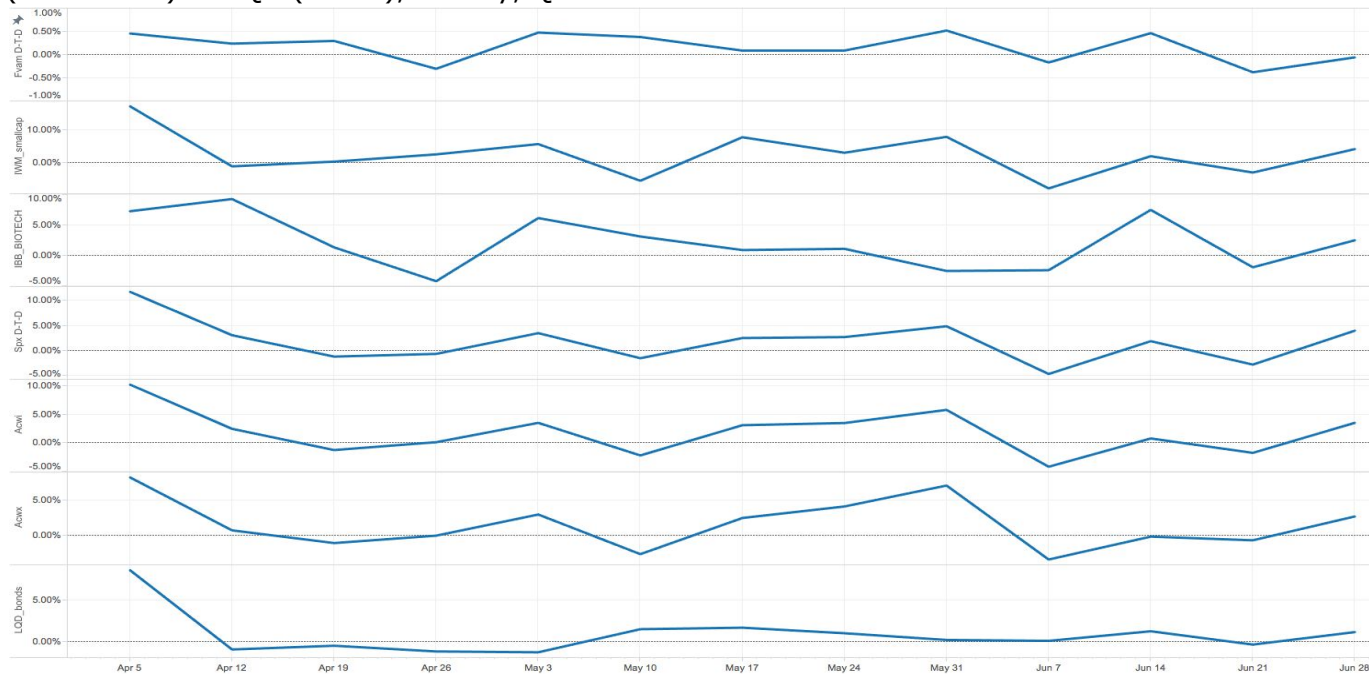
FVAM (top) compared to SPX (S&P 500, bottom), Q2 2020 - Weekly



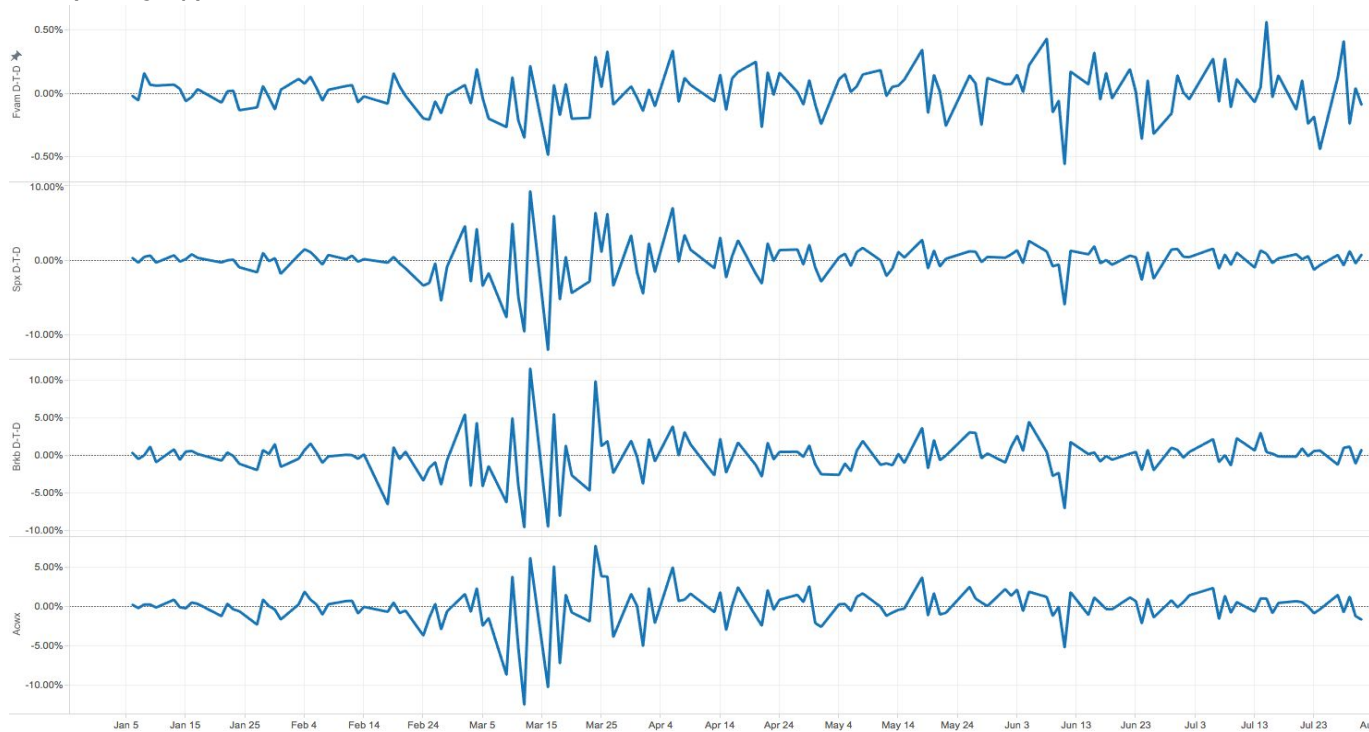
FVAM vs SPX and relative return (FVAM vs SPX), YTD, thru July
 (*excess return shows FVAM vs SPX, shows by how much FVAM is outperforming or underperforming the S&P 500)



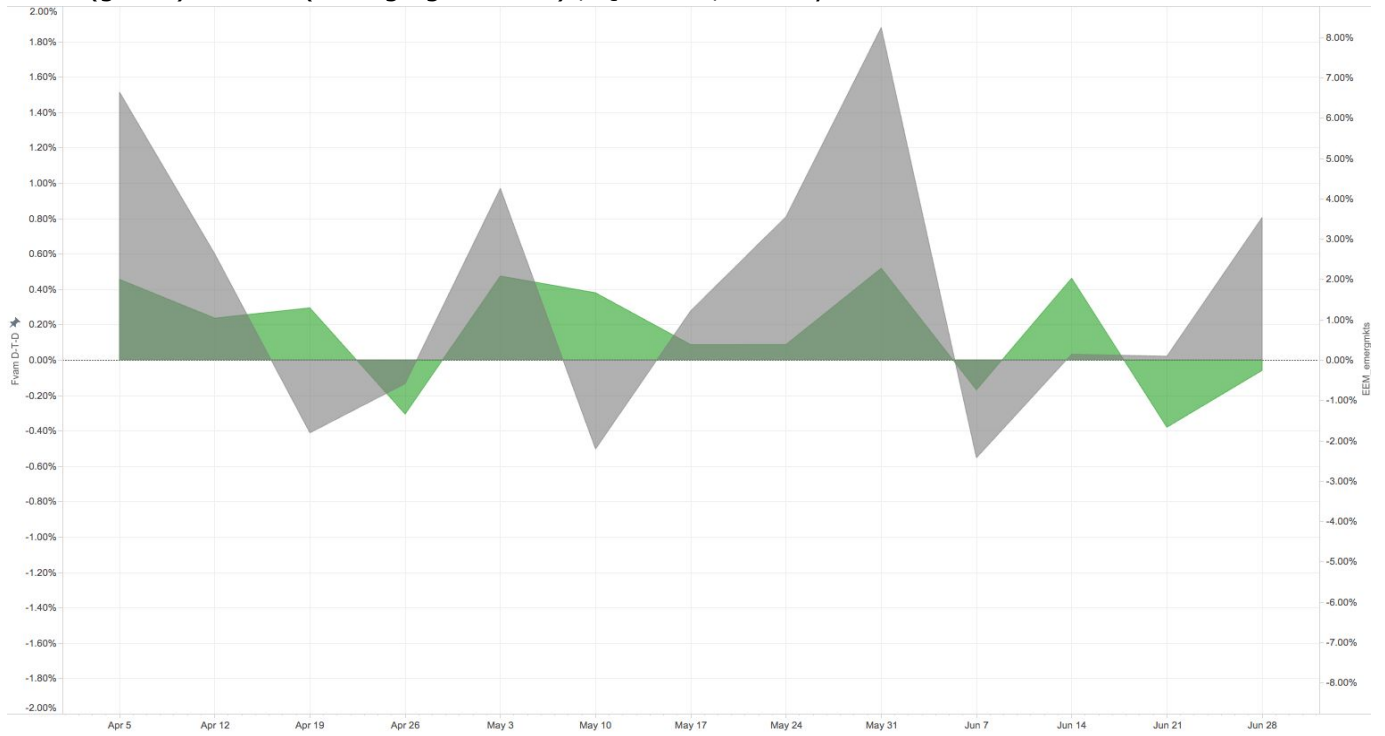
FVAM vs IWM (small caps) vs IBB (biotech) vs SPX (S&P 500) vs ACWI (world index) vs ACWX (world x-US) vs LQD (bonds), Weekly, Q2



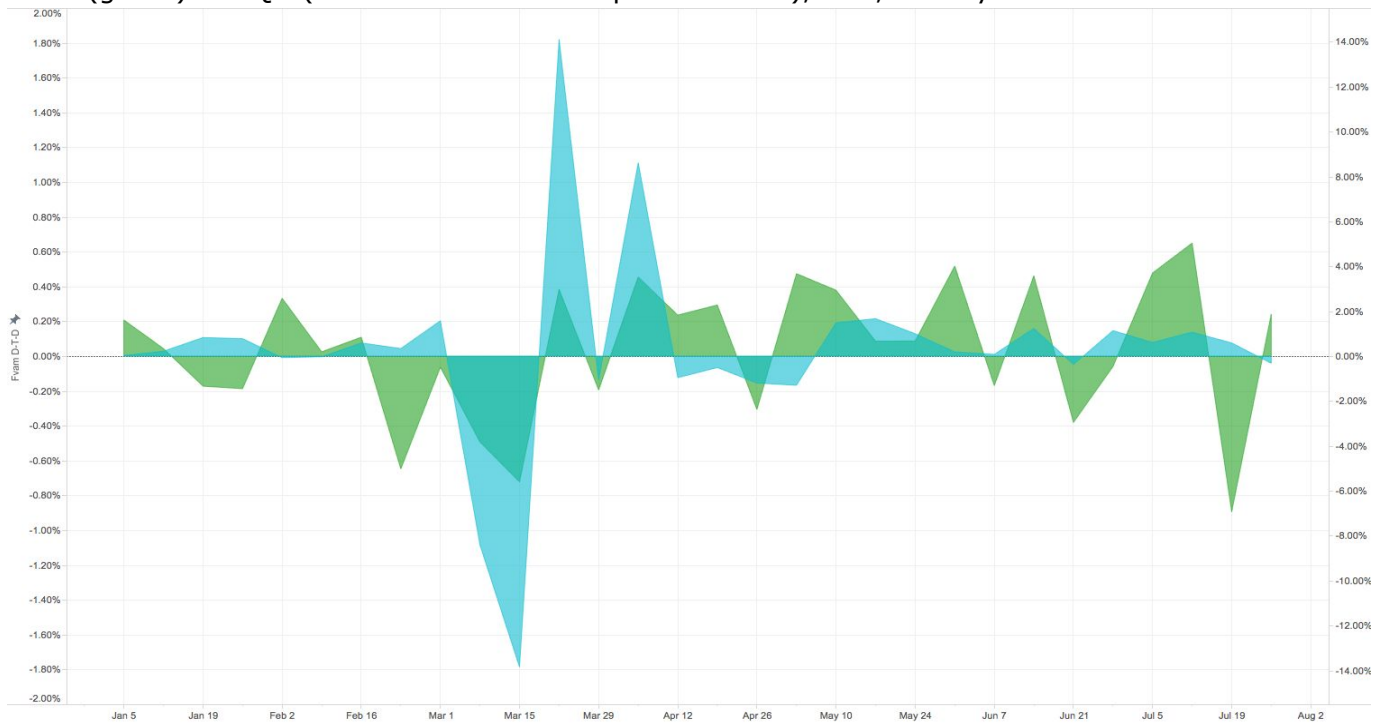
FVAM vs S&P 500 (\$SPX) vs Berkshire Hathaway (\$BRK/b) vs \$ACWX (World Index x-US), Daily, YTD (thru July)



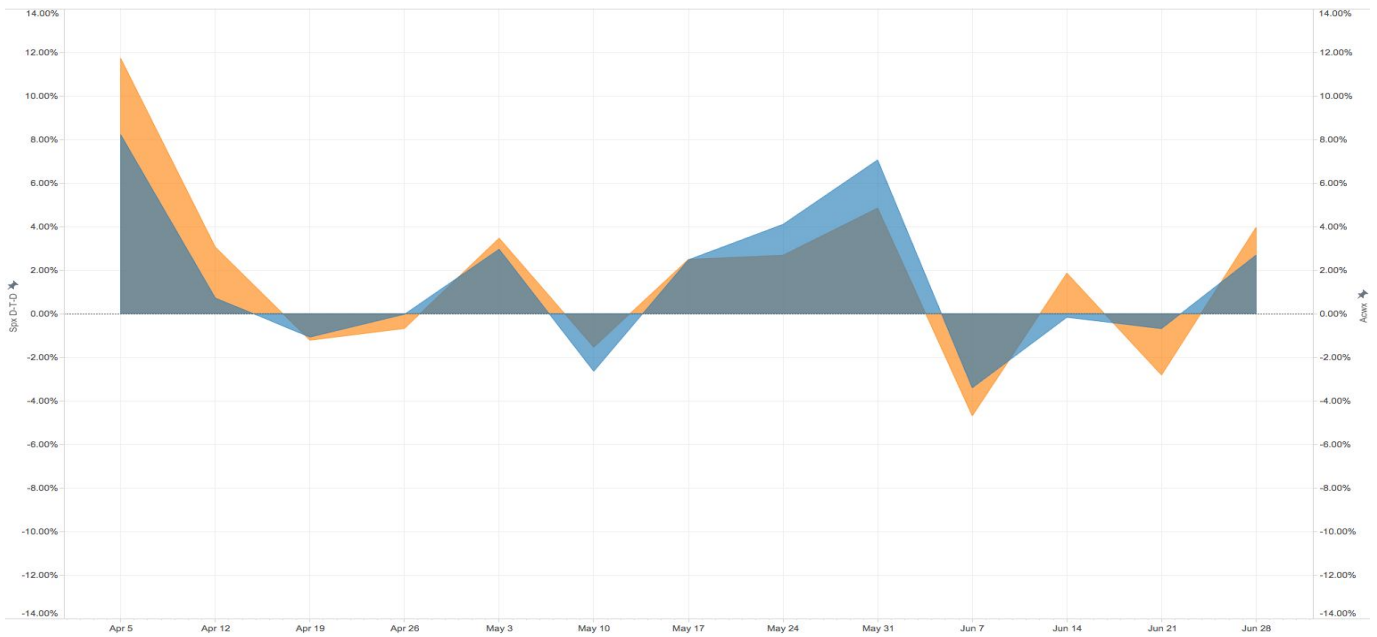
FVAM (green) vs EEM (Emerging Markets) , Q2 2020, Weekly



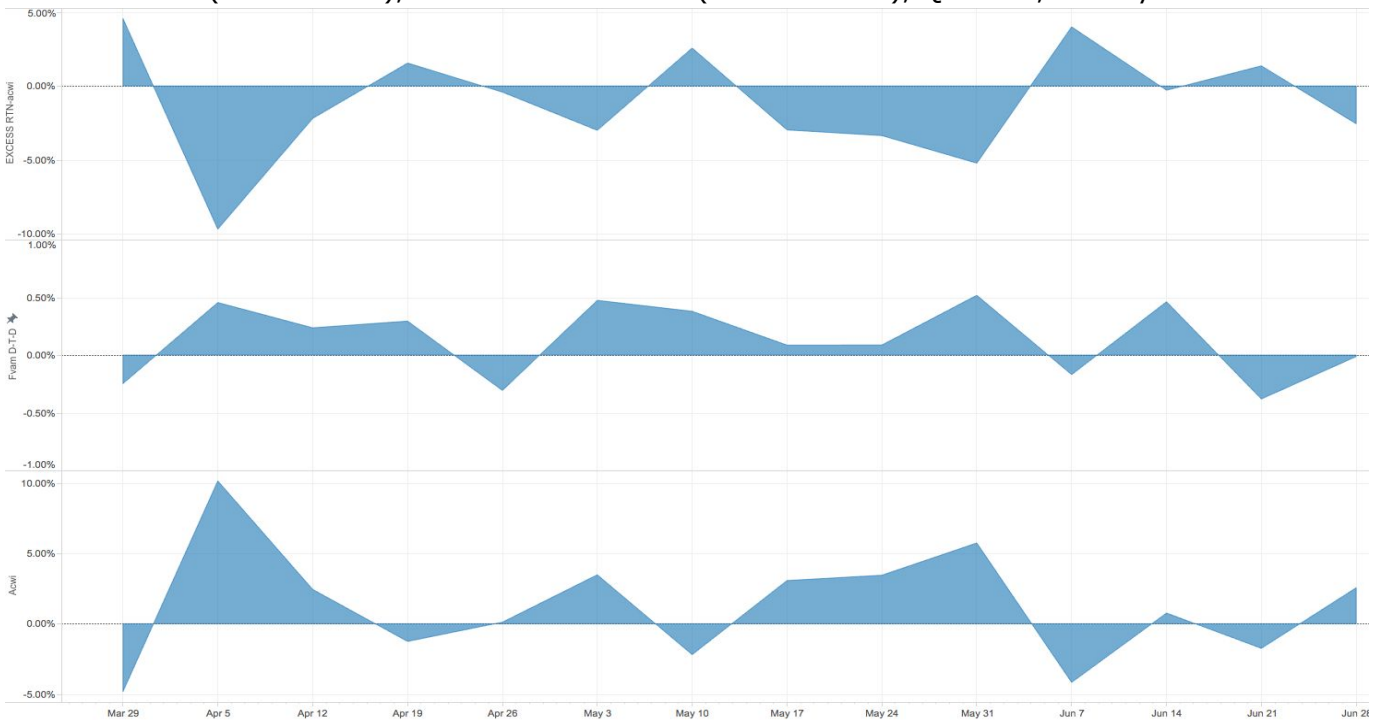
FVAM (green) vs LQD (Investment Grade Corporate Bonds), YTD, Weekly



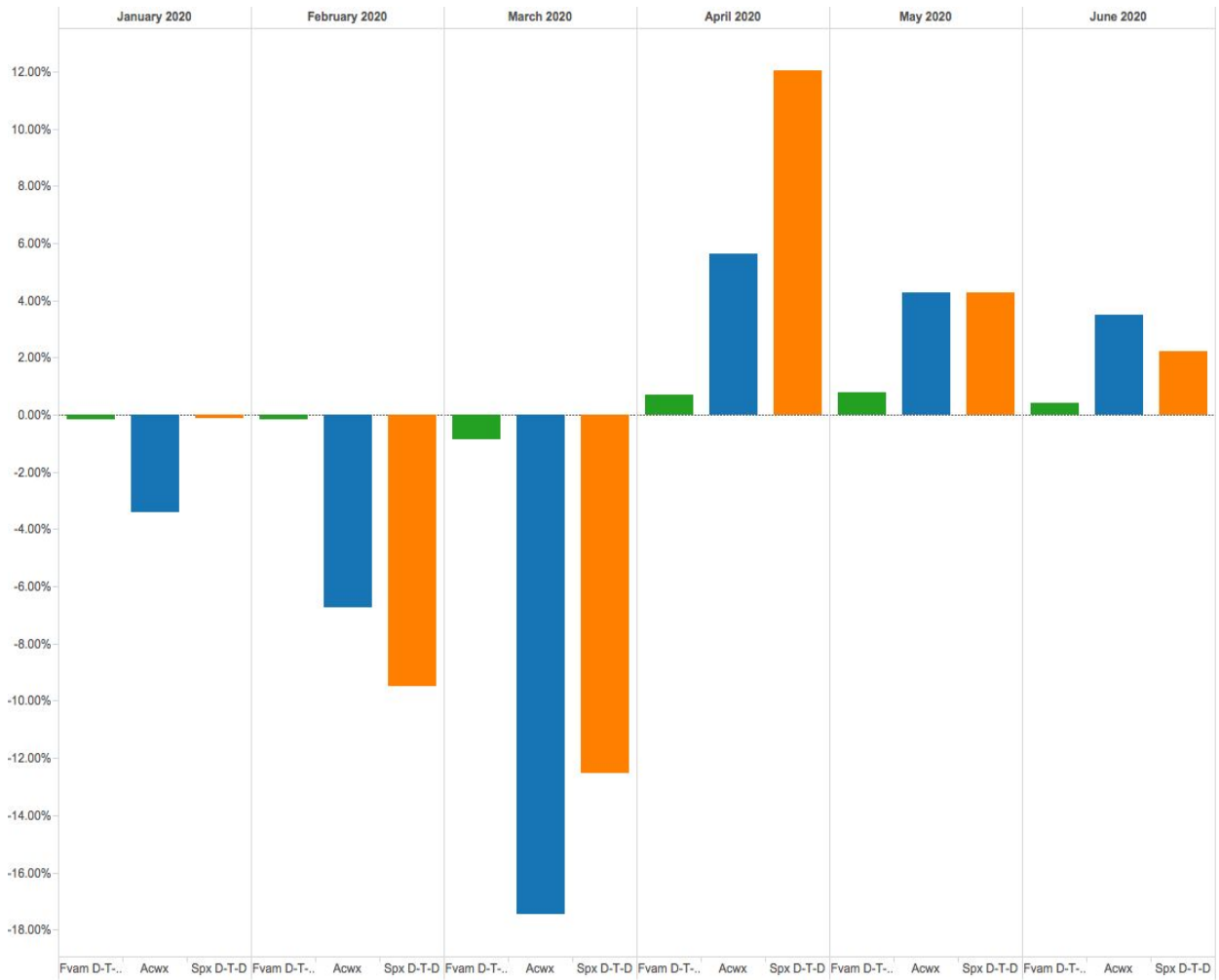
S&P 500 (orange) vs ACWX (World Index minus U.S.), Q2 2020, Weekly



FVAM vs ACWI (World Index), with Relative Return (excess return), Q2 2020, Weekly



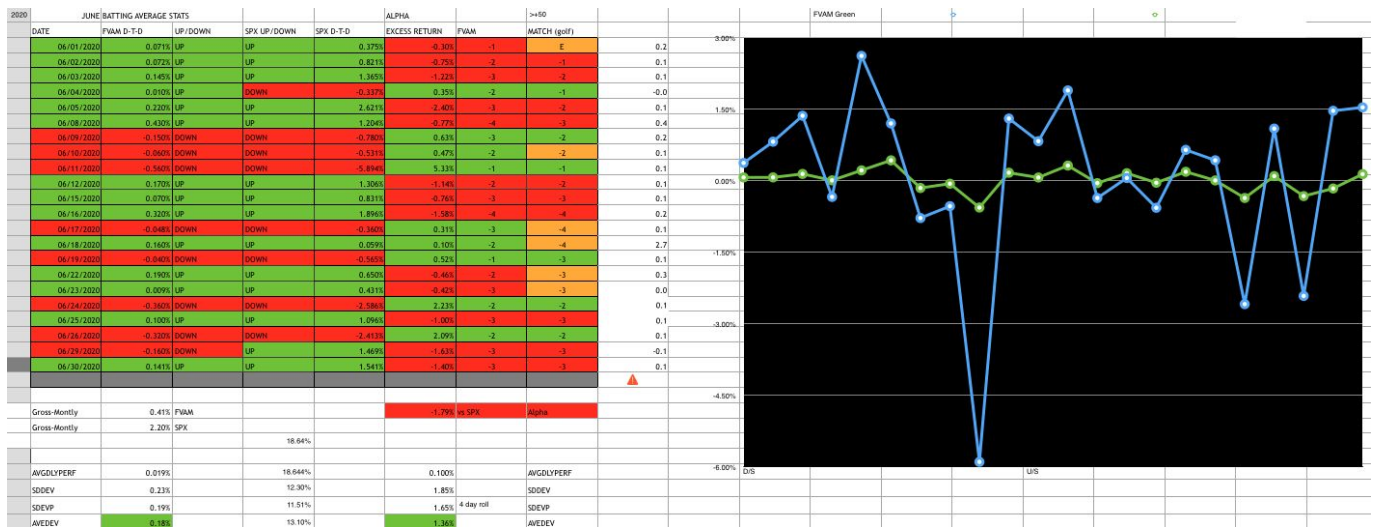
FVAM (green) vs ACWX (World Index minus USA, blue) vs S&P 500 (orange) , H1 2020 (thru June), monthly returns



Reference 1: FVAM Fund Performance Stats (showing view of February 2020, FVAM vs SPX, Statistics)

The data below, displaying just June 2020 in this example, shows performance statistic data maintained daily, showing the FVAM fund vs the S&P 500, even though FVAM is not trying to match or mimic the actual underlying stocks, within the S&P 500, or match the performance of the index. Data shows performance for FVAM, performance for the S&P 500 (\$SPX), as well as relative performance and mathematical statistics (showing risk & volatility). The chart is displaying daily performance for both FVAM (green) and SPX (blue). Another very important factor for FVAM is to be less volatile than the SPX, which is being analyzed using Statistics, such as Standard Deviation (SDDEV). Excess Return shows relative performance between FVAM and \$SPX (outperformance positive, or underperformance negative). Index C shows plus or minus on a progressive (rolling) basis through the month. The "match (golf)" column also shows that progressive relative performance, but for larger outperformance or underperformance, using a 50bp (+/- 0.5%) differential.

June 2020



*SPX (S&P500 index), BRK/B (Berkshire Hathaway) and any other index/fund/investment vehicles' performance using internal data tracking and data from multiple public internet sources, "non-official" data only.

Heat Map for the Dow Jones Index, showing each stock within that index/sector along with its relative size and weight compared to the overall index (**larger the block size the larger percentage that stock makes up within the index**) (*as of August 2020)

