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FVAM Fund Quarterly Portfolio Report
Q2 - 2022

***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 2022, 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 commodities, with occasional exposure to fixed income and currencies. Fund has a dual goal of capital appreciation AND preservation, 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 a focus-tilt towards Technology and Biotech/HealthCare. The fund applies multiple strategies, from fundamental research looking at earnings, revenue, growth rates, and valuation, to analyzing historical data and projecting future expectations. Combining fundamentals with technical analysis ("technical"), studying charts and price action for trends, as well as trend change, price and timeframe analysis, overbought and oversold indicators, and volume spikes leading to capitulation. The macro environment is very important as well, and will overlay macro research on top of 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 disrupt and 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 timeframes, "PriceFrame" being more important than 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, Growth-on-Sale (GOS), utilizing more of a "buy the blood" strategy - buy low-sell high, as a fundamental mindset. The 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 investment 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". 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 or short-side exposure 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 the risk of that position and overall portfolio size. As well as other portfolio management strategies such as performance monitoring and risk management, constantly studying fund volatility and day-to-day performance statistics.

Another major objective of this fund is to begin replacing a portion of the "40" of a typical "60-40" portfolio, where 60% is towards stocks, 40% in Bonds. This bond exposure is mostly meant to reduce volatility and risk in a portfolio, with bonds normally having a lower return. FVAM's risk management strategy and diversification should also reduce overall risk relative to stock investing, but have a much higher probability to far outperform bonds and CDs. 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, with individual assets selected by Fanvestments Management, minimal market correlation, and less volatility vs market indices. Although compared to the S&P 500, this is not the fund's true benchmark, as the index is a US large-cap index. FVAM is diversified among multiple market caps, multiple strategies, and has international exposure. 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

For the 2nd Quarter of 2022, the FVAM fund finished down, producing a -6.41% return. The fund was down -4.18% in April, up +0.17% in May, and down -2.4% in June. On a relative basis, the fund continues to prove it can withstand and outperform during down and volatile overall markets. For the Quarter, the S&P 500 was down almost -17%, with the small cap etf IWM, down -17.5%. The ACWX etf, which tracks stocks around the world excluding the United States, was down close to -14% for the quarter. Cathie Wood's ARKK growth & innovation fund, was down close to -40%, with the Nasdaq100 down -22.5%. Although there is no attempt to match the performance or timing of the S&P 500, along with mixed-asset exposure, multi-cap and multi-strategy, lower risk & volatility, and with equity exposure around 74% of the fund, the fund's performance and volatility is analyzed against the index, an all-stock and strictly large-cap index. Another reference point, a more relative and important benchmark for the fund, is Warren Buffett's Berkshire Hathaway. Using the BRK/b shares, Berkshire was down ~25% for the 2nd quarter of 2022. Looking into the 3rd Quarter of 2022, overall markets have been trying to fight back, with the S&P 500 up almost 9% for July but down 4% in August, while FVAM is up about 2% through August.

The fund's top performing investments at the end of the 2nd Quarter were Hedge Position short QQQ (via puts), Vertex Pharma (VRTX), and Teladoc (TDOC) short (via puts) as the top three. Following them up was World Wrestling Entertainment (WWE), Abbvie (ABBV), United States Oil Fund (USO, short via puts), Mosaic (MOS), Halliburton (HAL), Taiwan Semi (TSM), and AMC Entertainment (AMC) rounding out the top 10 performing positions. Of those top 10; AMC, Halliburton, USO (puts), Taiwan Semi, Halliburton, and Mosaic have all been sold in full for sizable gains. Vertex Pharma, World Wrestling, and Abbvie continue to be longer-term core investments. Salesforce (CRM), Apple (AAPL), Sofi, and Mosaic (MOS) were all sold in full during the quarter. Salesforce and Apple will remain on the watchlist for now, awaiting better market opportunities at lower prices. In the quarter, the fund increased core investments in Advanced Micro Devices (AMD), Paypal (PYPL), Crispr Therapeutics (CRSP), and Splunk (SPLK). Positions in crypto miner Hut 8 Mining (HUT) and Bitcoin (via GBTC), were sold in full for small losses. Minor reductions, profit taking, in core positions Vertex, WWE, and Abbvie. The fund also bought back into core position Tesla (TSLA) with an average cost around \$240 (post-split), with the stock trading slightly above \$300 towards the end of July. Based on its Q2-2022 earnings report, Tesla produced quarterly revenue of \$16.9 billion, and just over \$67 billion in Revenue for the last 12 months. They earned \$1.95/share for the quarter (GAAP, Net Income), an increase of 91% year-over-year, with revenue for the quarter coming in at \$16.9 billion, 42% growth. 12-month Target price at \$420, about 40% upside, with a longer term 2025 target at \$900. Can read more about Tesla here : [Tesla Investor Relations](#)

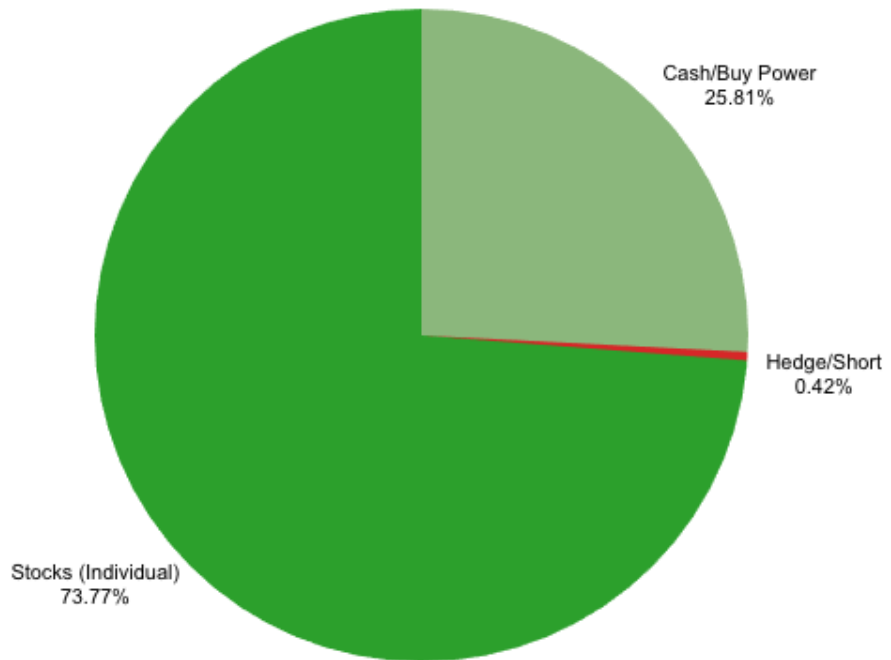
Looking into Q3 2022, new core positions were initiated in Nike (NKE), Twilio (TWLO), DraftKings (DKNG), and Disney (DIS). Positions in Nvidia (NVDA) and Melco Entertainment (MLCO) were sold in full for small losses. The fund also increased positions in Splunk and AMD. Twilio offers a cloud-based communications platform, which enables developers to embed real-time communications between users within software apps. The platform is designed to support the key ways users and their customers can interact and communicate between customers and/or support, within the apps we use every day. From messaging and WhatsApp, to voice, video, and email. The fund has an avg. cost ~\$85/share for TWLO, with the stock currently around \$80 in mid-september. Stock reached over \$350 just a year ago, and the fund started buying after it pulled back to \$90, over 75% down from that year ago high, but still not down enough. 12-month price target at \$160, longer-term out 3-4 years looking for \$300.

Can read more about Twilio here: [Twilio Q2-2022 Quarterly Results](#)

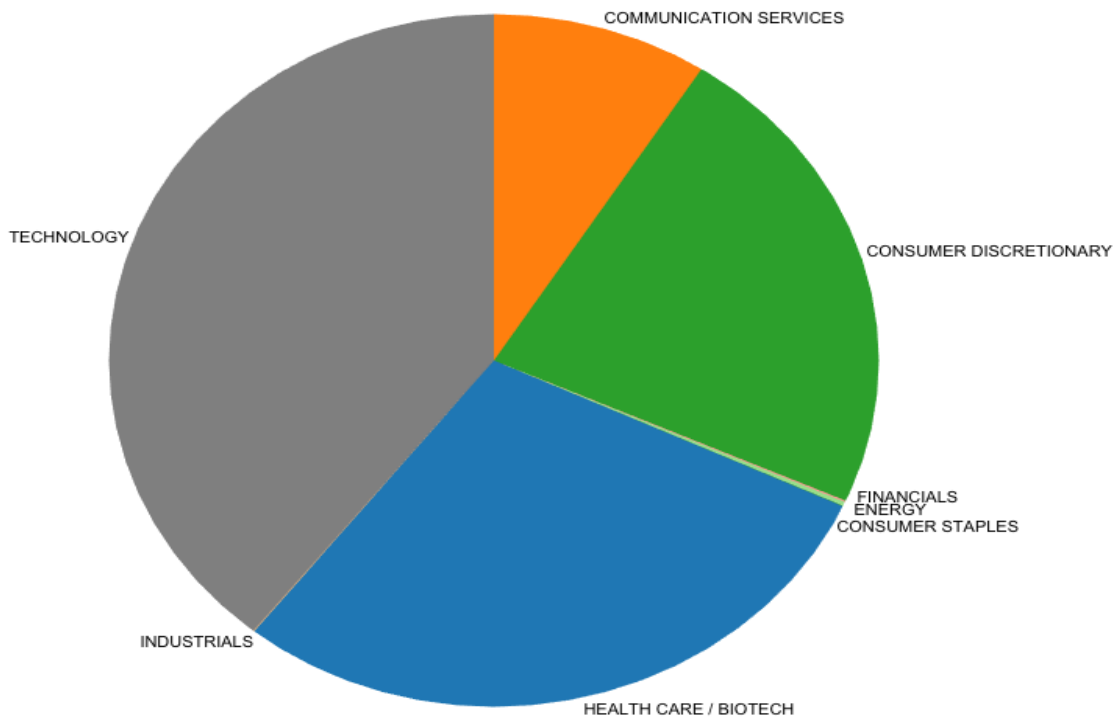
Disney, a worldwide entertainment company, known best for their theme parks and experiences, movies, ESPN, Cruiselines and streaming media. The business is broken down into two major segments. DMED, Disney Media and Entertainment distribution, and the other is DPEP for their Disney Parks, Experiences, and products. The fund started buying DIS in August around \$114 and has been dollar-cost averaging since with an average cost at \$112, with the stock around \$110 at the end of August. 12-month Price-target at \$162, about 3x book value, which matches its 5-yr average. Can read more about Disney here: [Disney's Q3 FY22 Earnings Results](#)

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 April 2022)

High Level allocation heat map and pie chart:

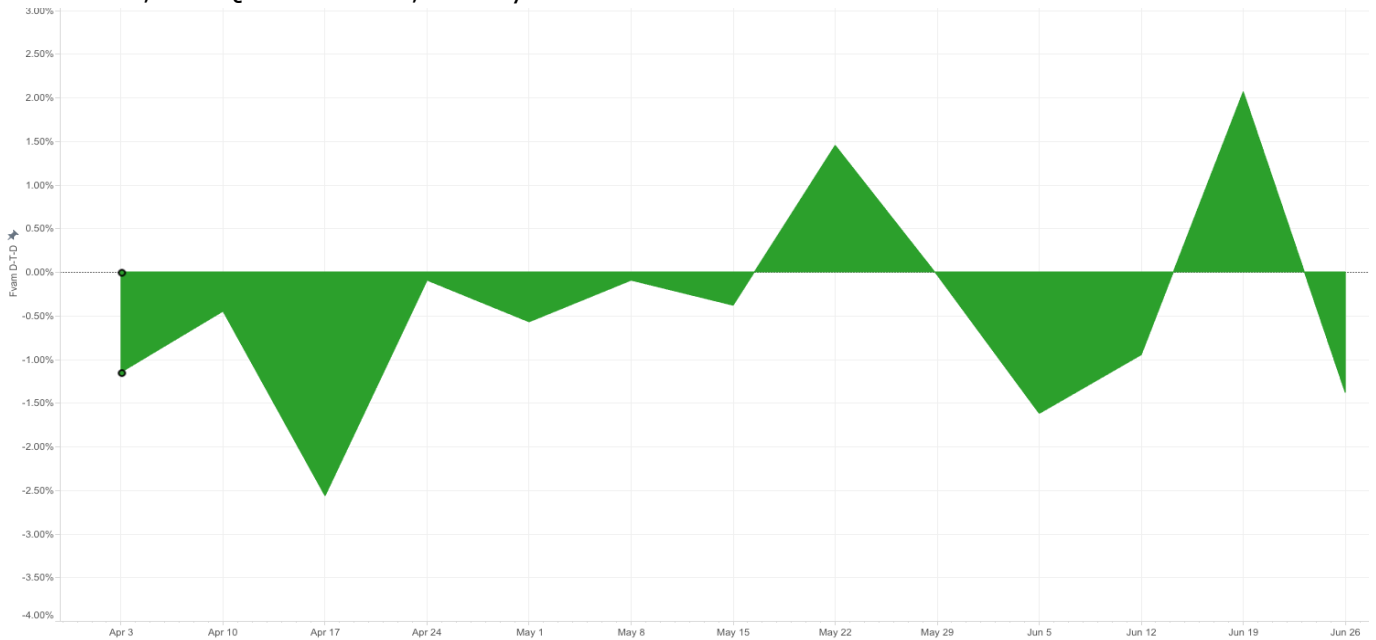


Below shows the further breakdown of only the fund's individual stock exposure. Currently, the heaviest focus of that exposure is allocated towards the Technology sector, as well as the Healthcare / Biotech sector

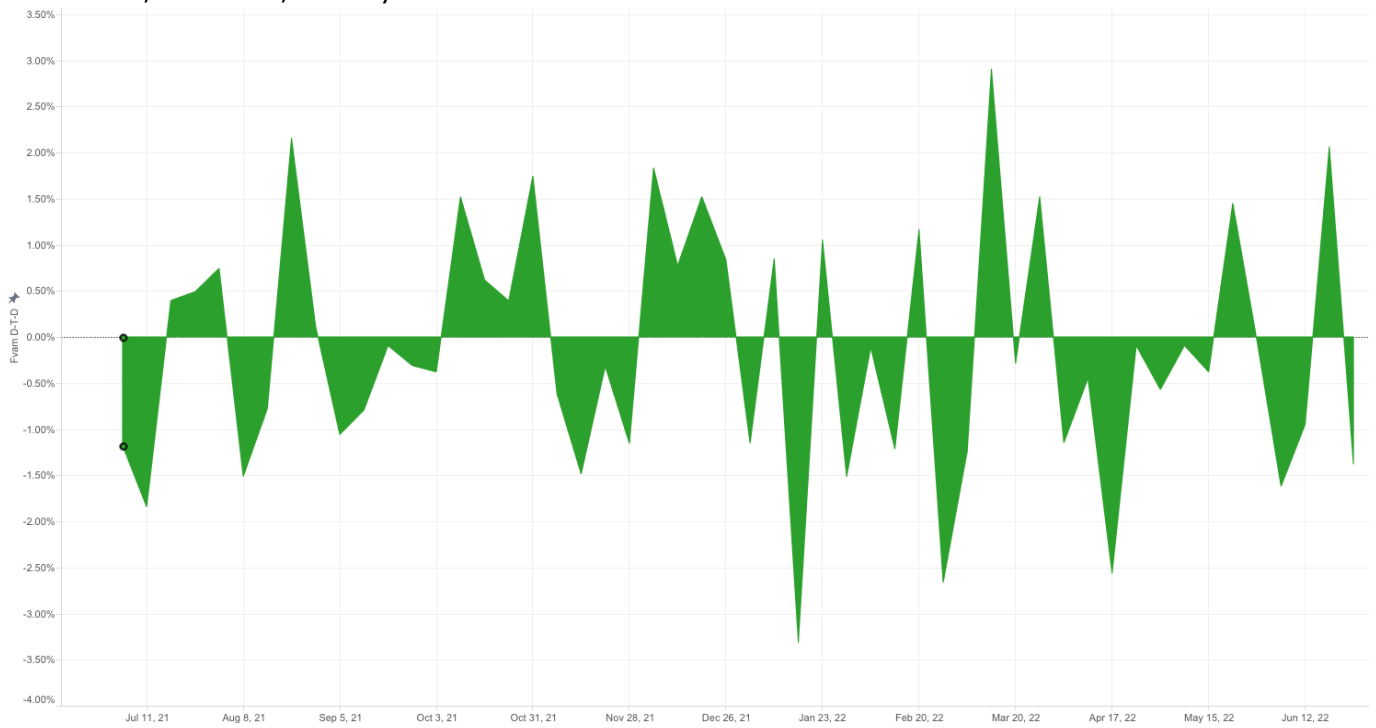


Performance Analysis: Analyzing the breakdown of the Fund's performance, as well as comparisons to other investment vehicles/index, such as the S&P 500, \$BRK-b (Warren Buffett's 'Berkshire Hathaway'), ACWX which tracks Global Markets minus the US (World x-US), and the Russell 2000 small cap index (\$IWM)

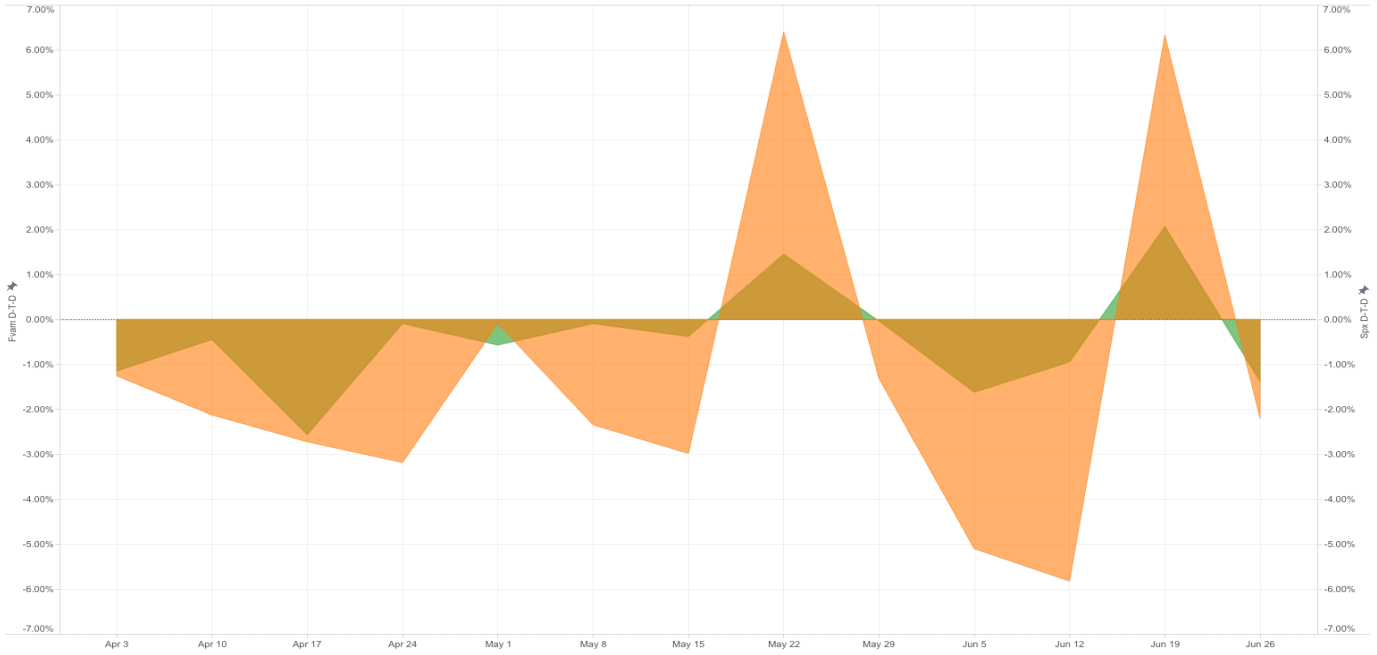
FVAM fund, 2nd Quarter 2022 , Weekly



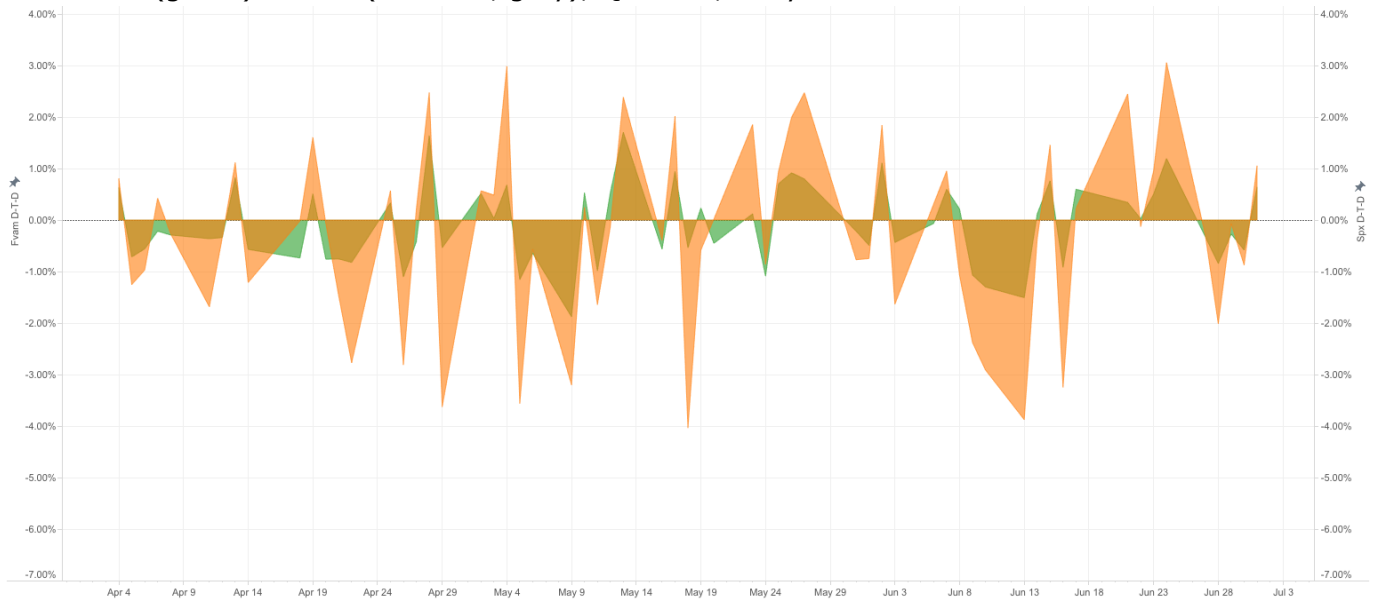
FVAM fund, One-Year, Weekly



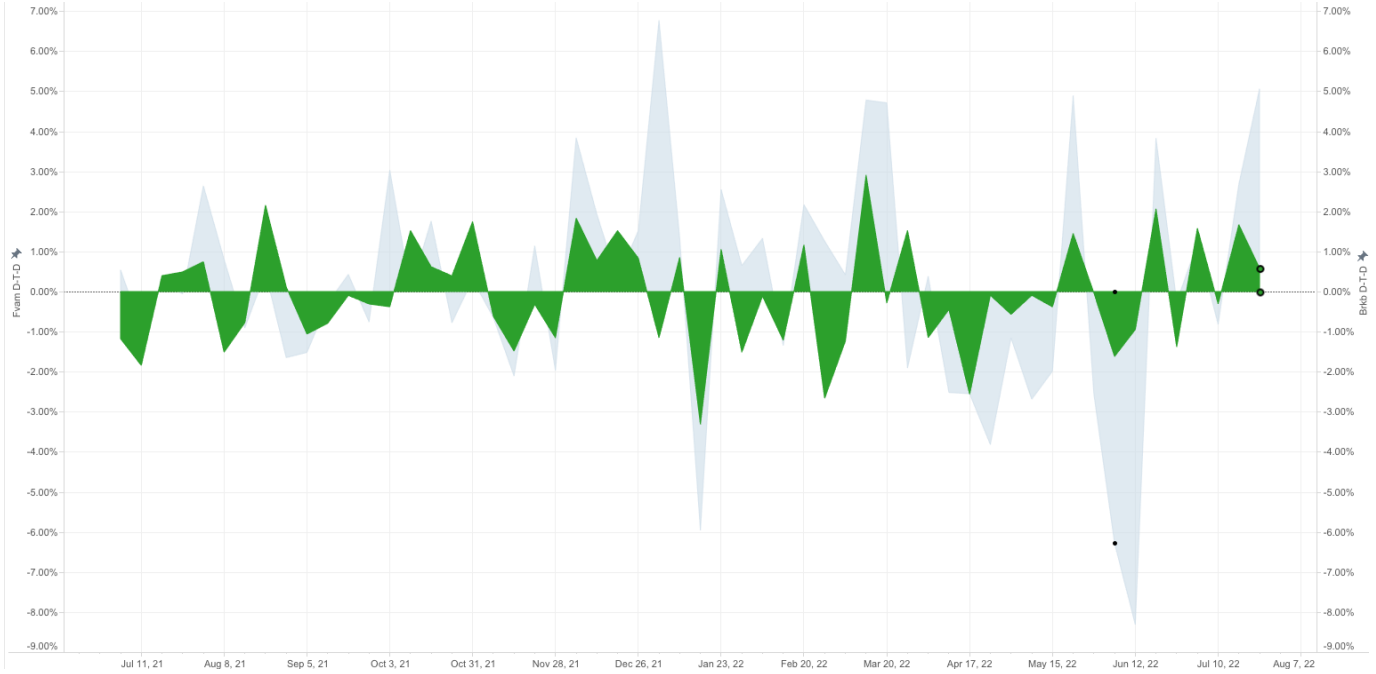
FVAM fund (green) vs SPX (S&P 500, orange), Q2 2022, weekly



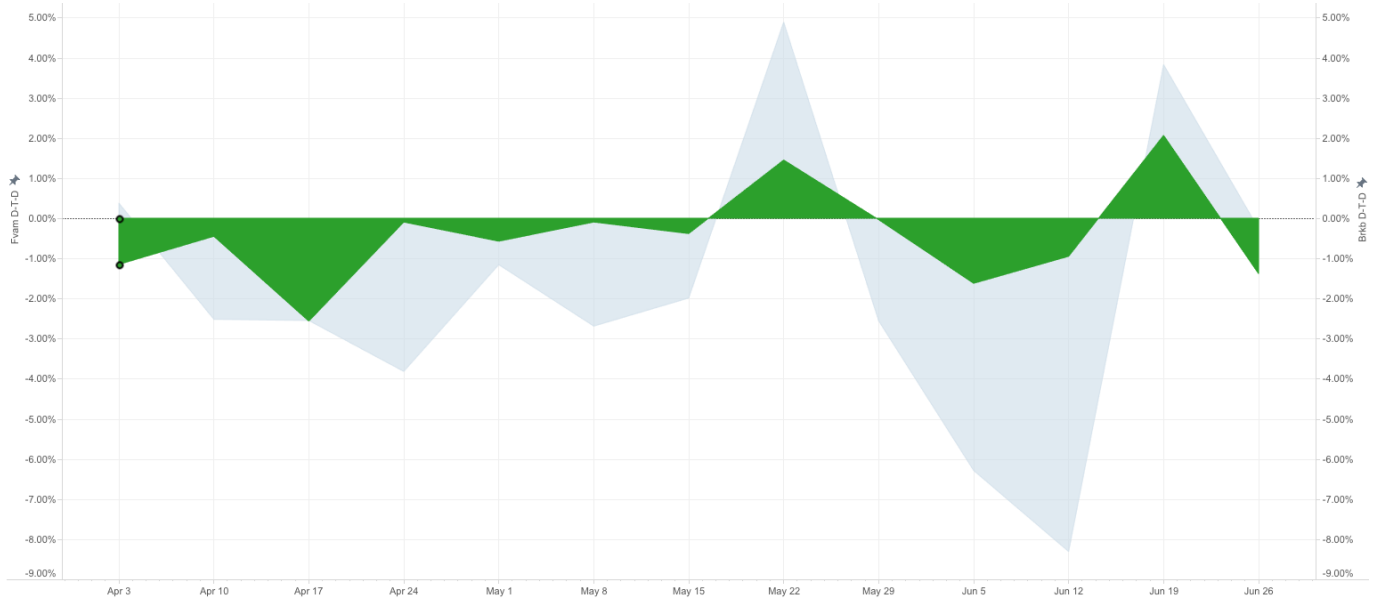
FVAM fund (green) vs SPX (S&P 500, gray), Q2 2022, Daily



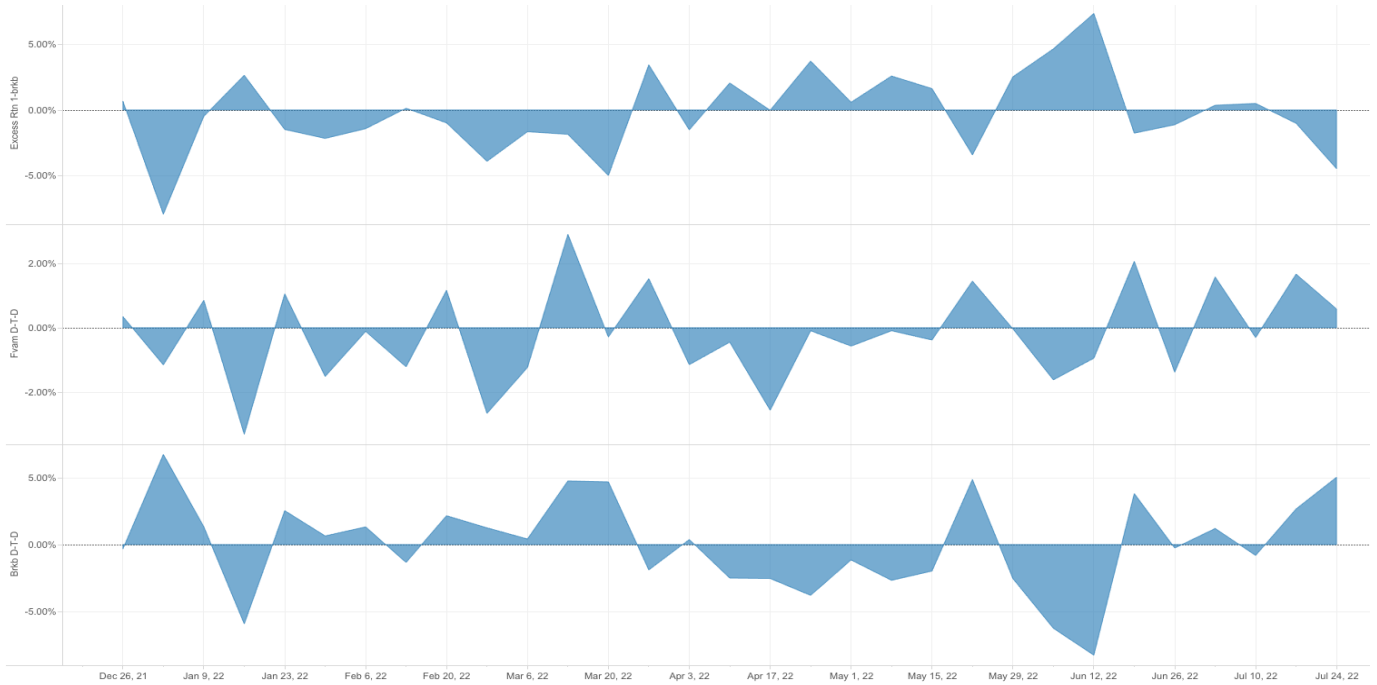
FVAM fund (green, left) vs BRK/b (blue, right), 1-year (thru July), Weekly
 (\$BRK-B : Berkshire Hathaway B-shares)



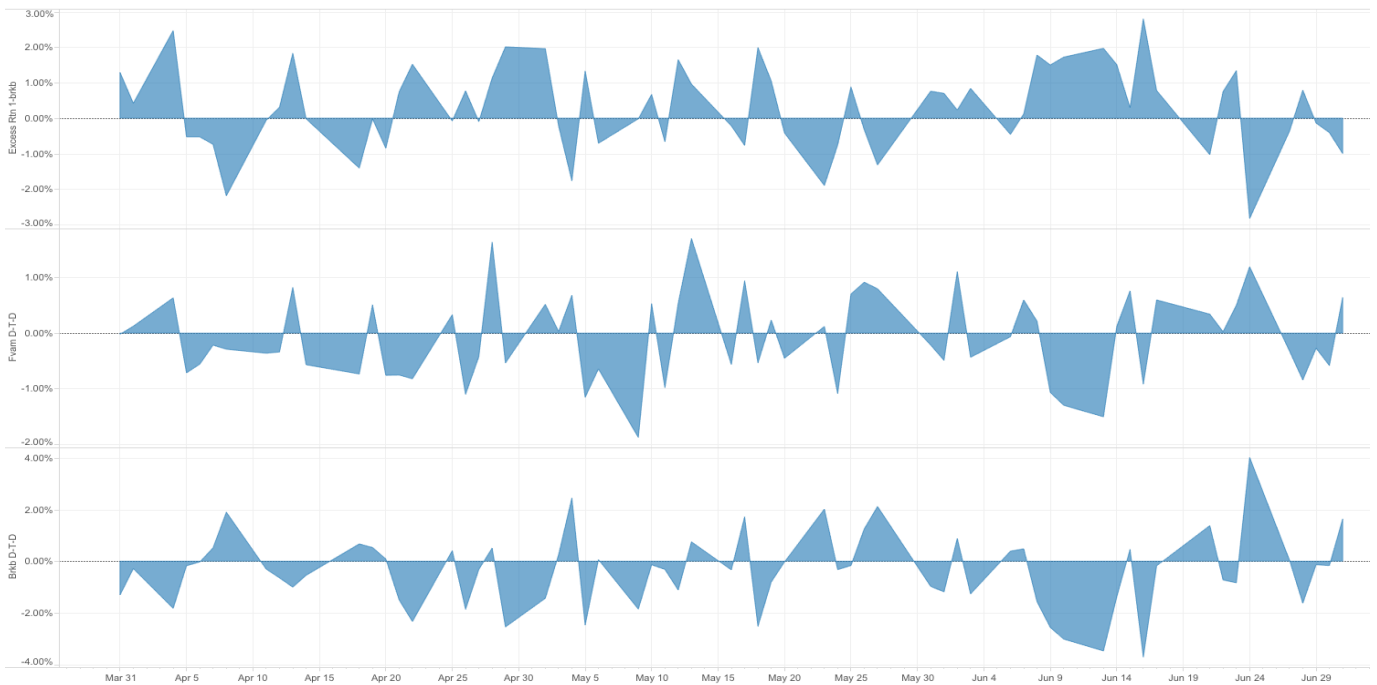
FVAM fund (green, left) vs BRK/b (blue, right), Q2 2022, Weekly



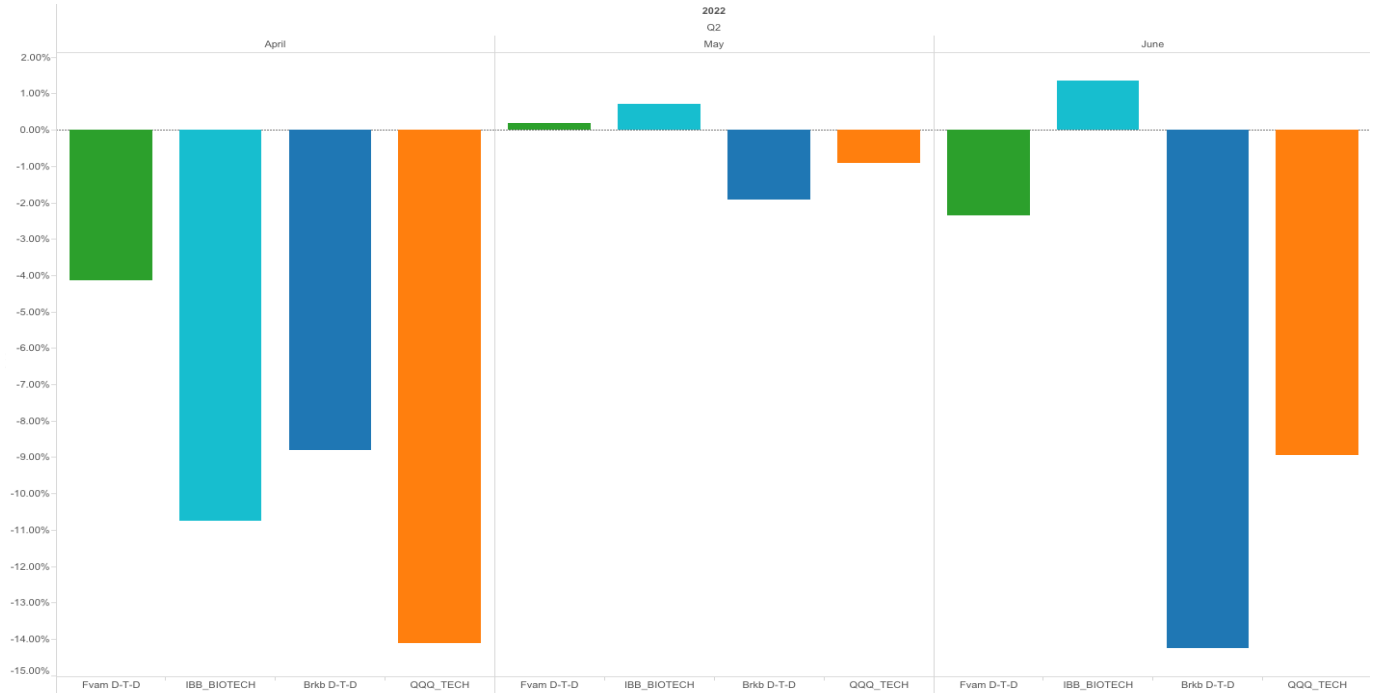
FVAM vs BRK/b and relative return (FVAM vs BRK/b), weekly, YTD thru July
(excess: positive = outperformance, negative = underperformance)



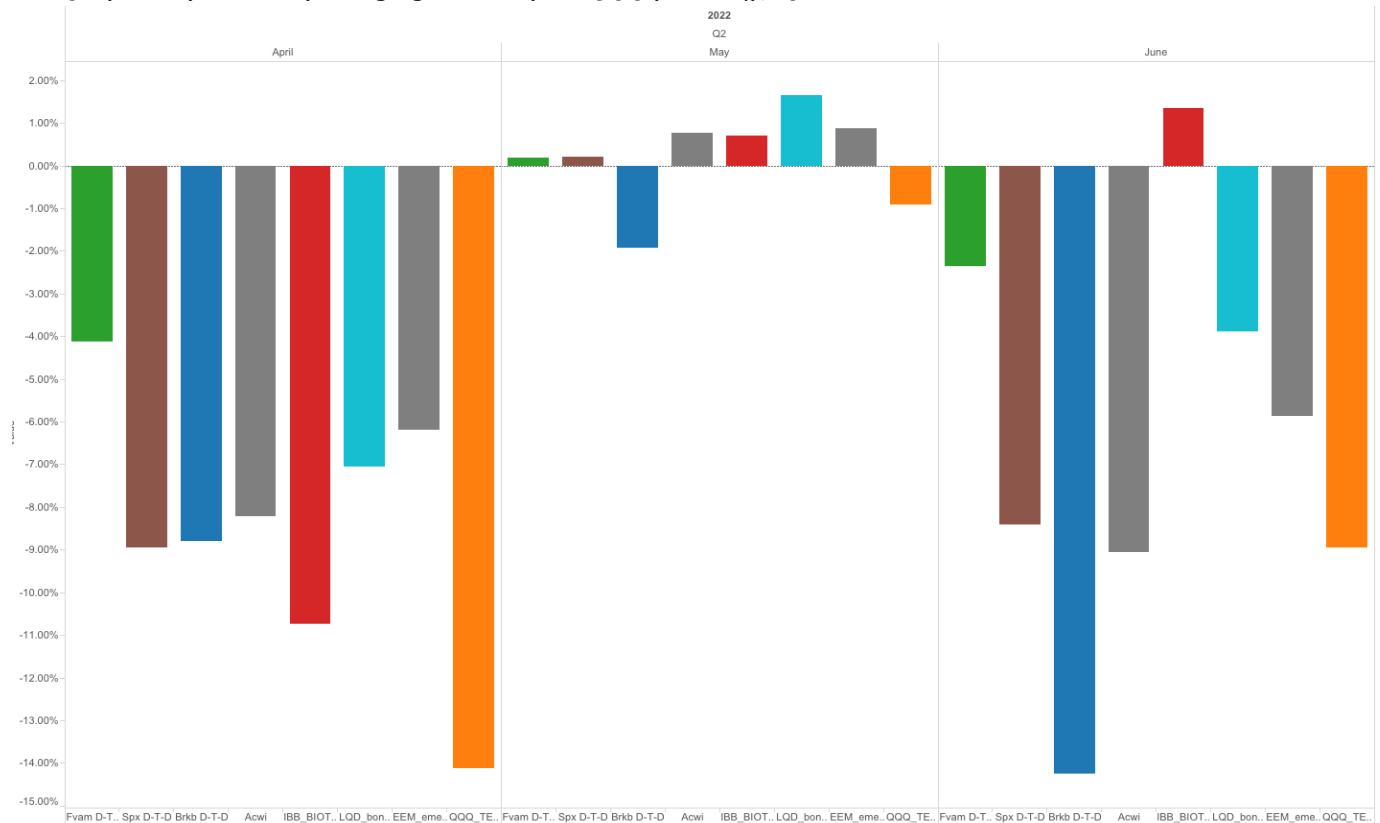
FVAM vs BRK/b and relative return (FVAM vs BRK/b), daily, Q2 2022
(excess, positive = outperformance, negative = underperformance)



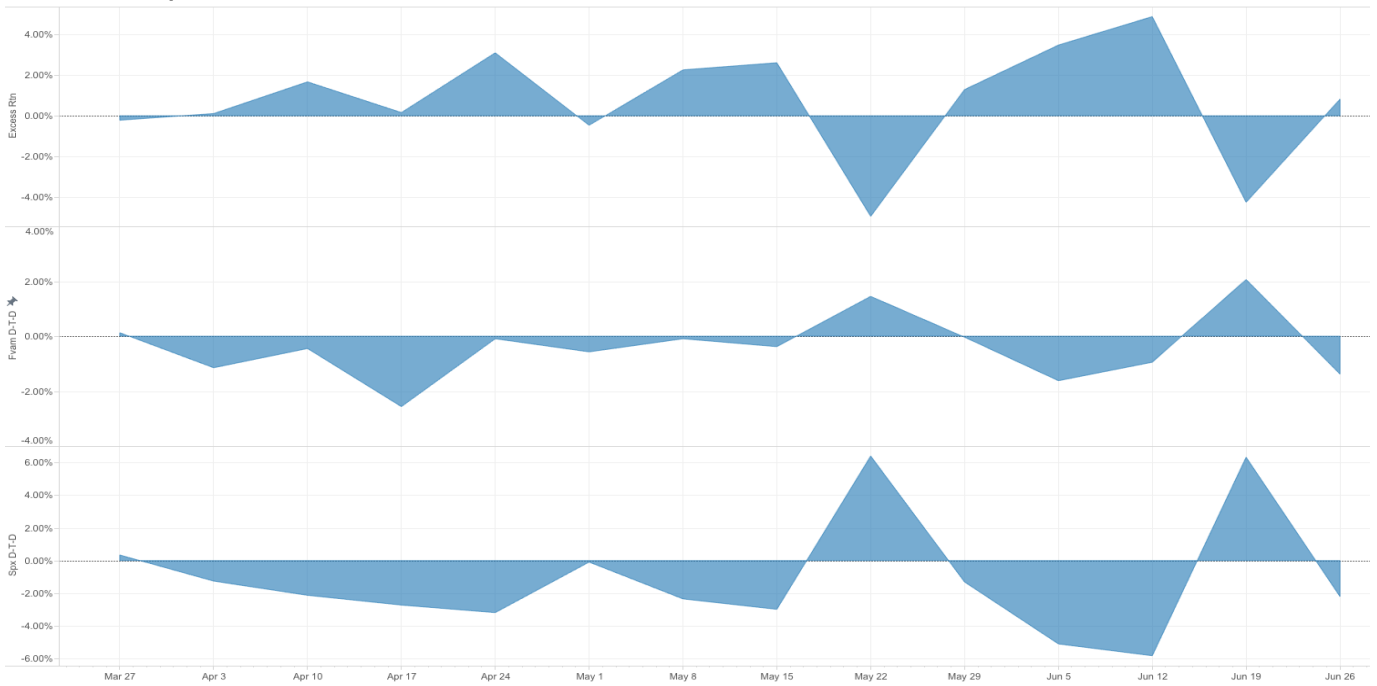
FVAM (Green) vs S&P500 vs IBB (BioTech Index Fund) vs BRK/b (Berkshire Hathaway) , 2nd Quarter - 2022



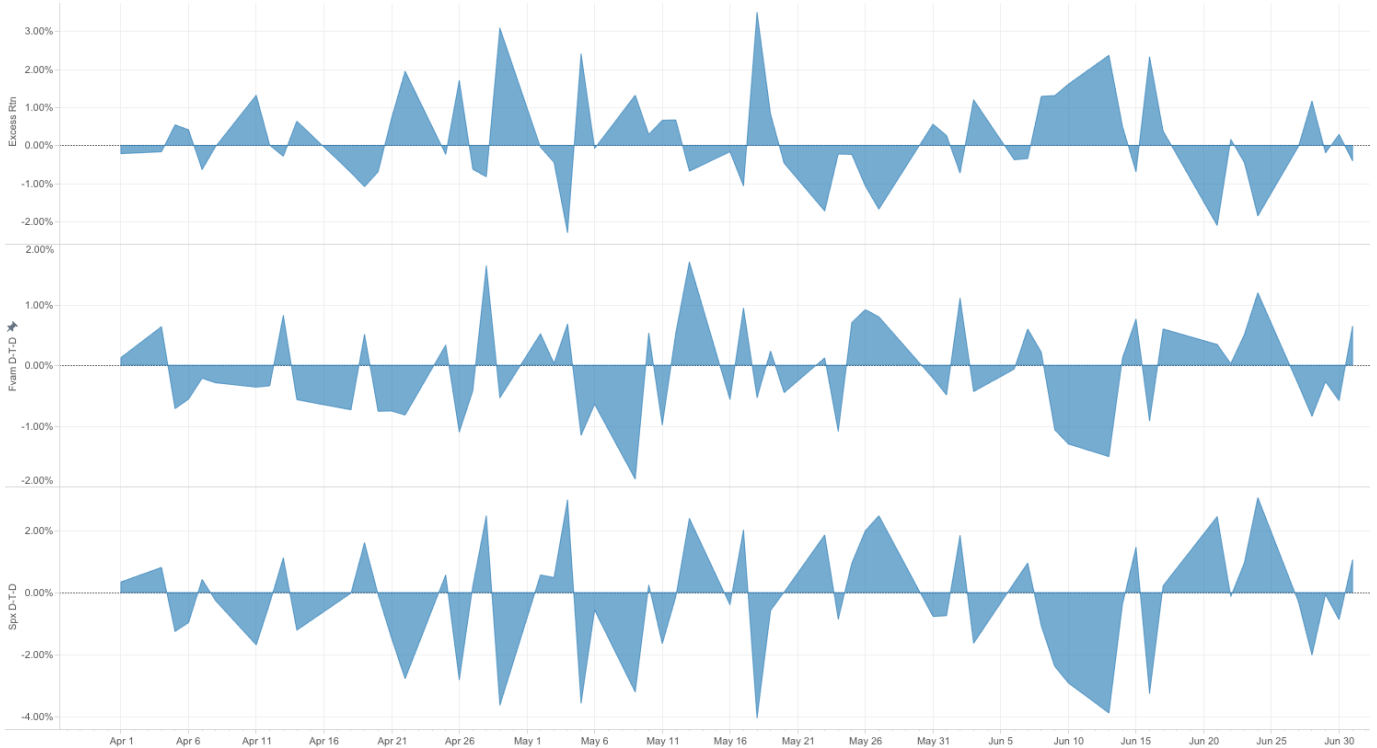
FVAM (green) vs S&P500 vs BRK/b (Berkshire Hathaway) vs ACWI (World Index) vs IBB (BioTech Index Fund) vs LQD (Bonds) vs EEM (Emerging Markets) vs QQQ (Nasdaq), Q2 - 2022



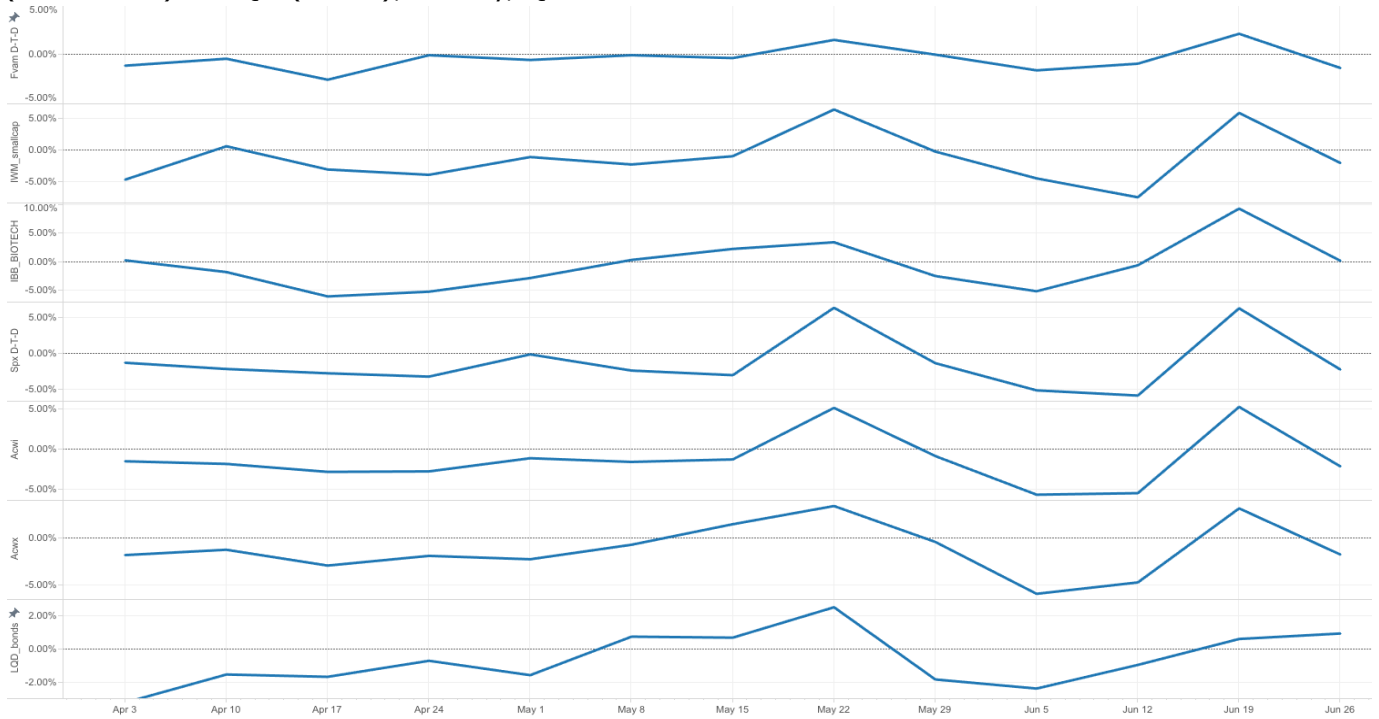
FVAM vs SPX and relative return (FVAM vs SPX), Q2 - 2022, weekly
 (*excess return shows FVAM vs SPX, shows by how much FVAM is outperforming or underperforming the S&P 500)



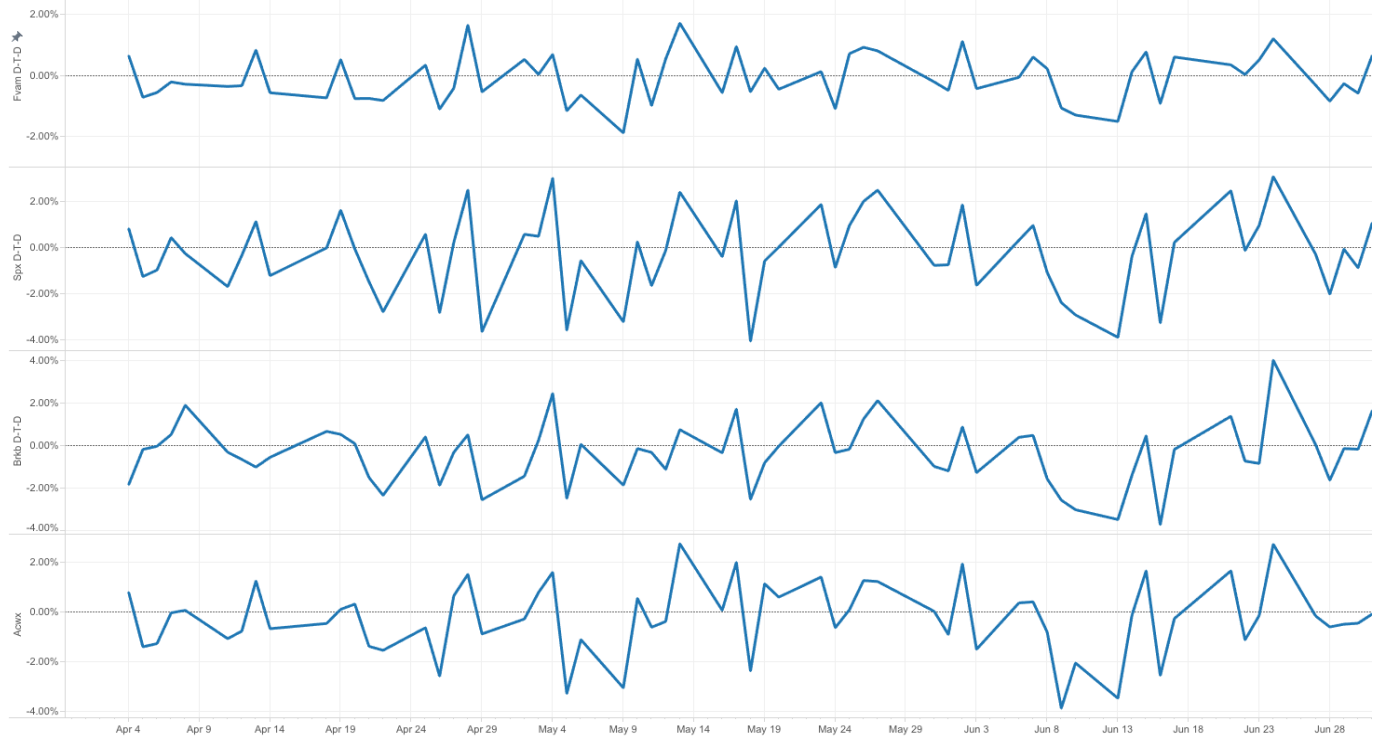
FVAM vs SPX and relative return (FVAM vs SPX), Q2 - 2022, Daily



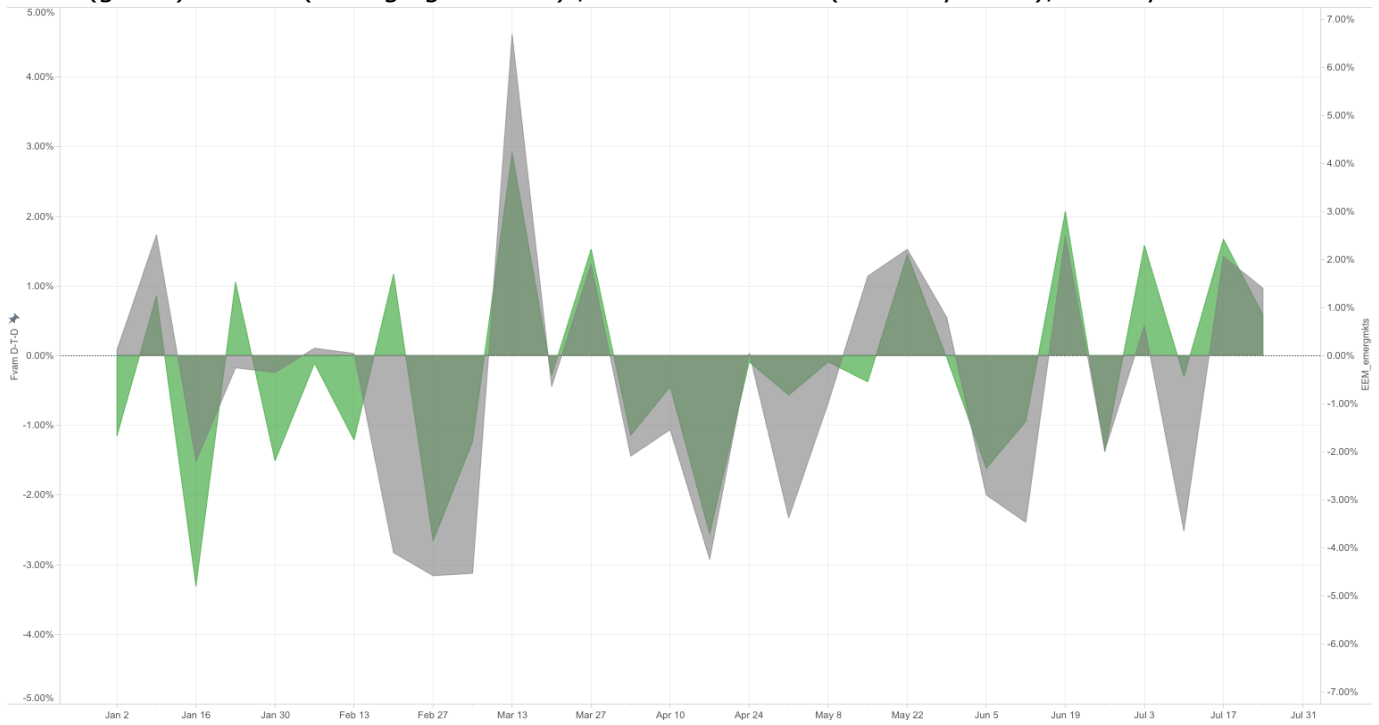
FVAM vs IWM (small caps) vs IBB (biotech) vs SPX (S&P 500) vs ACWI (world index) vs ACWX (world x-US) vs LQD (bonds), Weekly, Q2



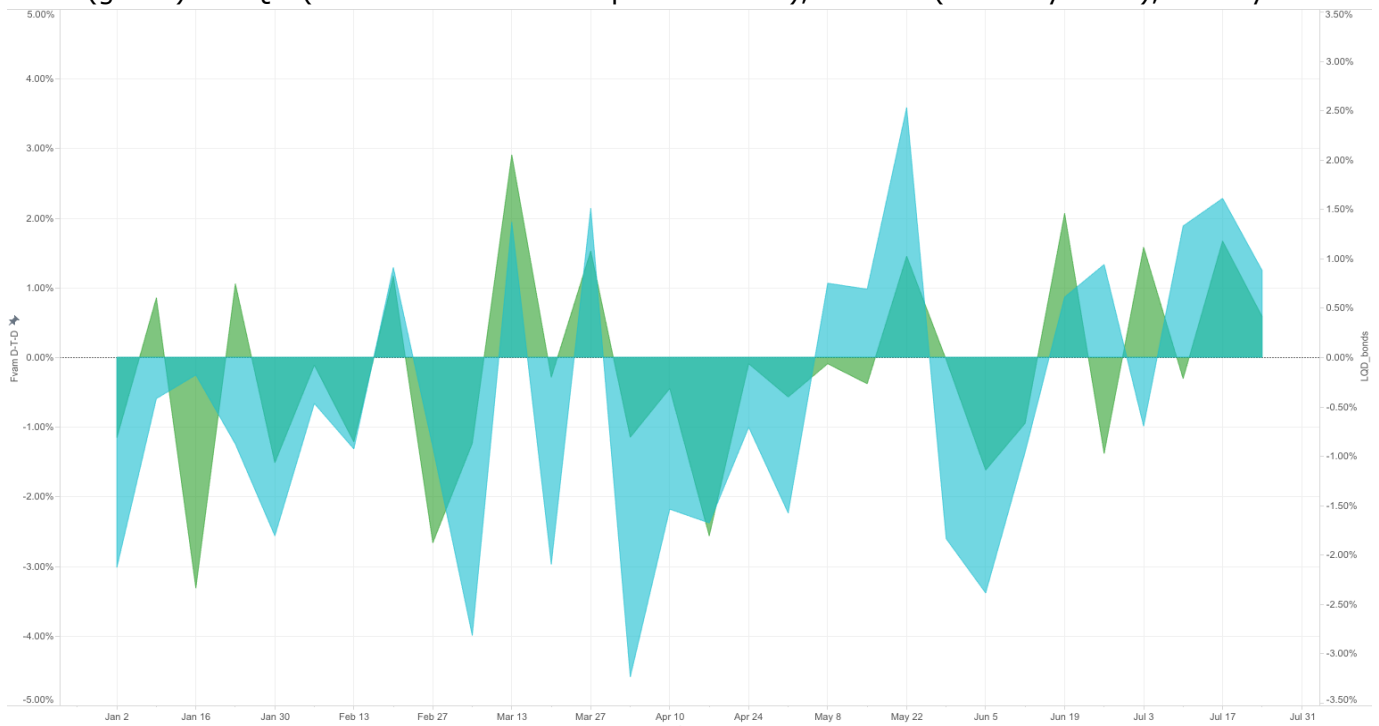
FVAM vs S&P 500 (\$SPX) vs Berkshire Hathaway (\$BRK/b) vs \$ACWX (World Index x-US), Daily, Q2



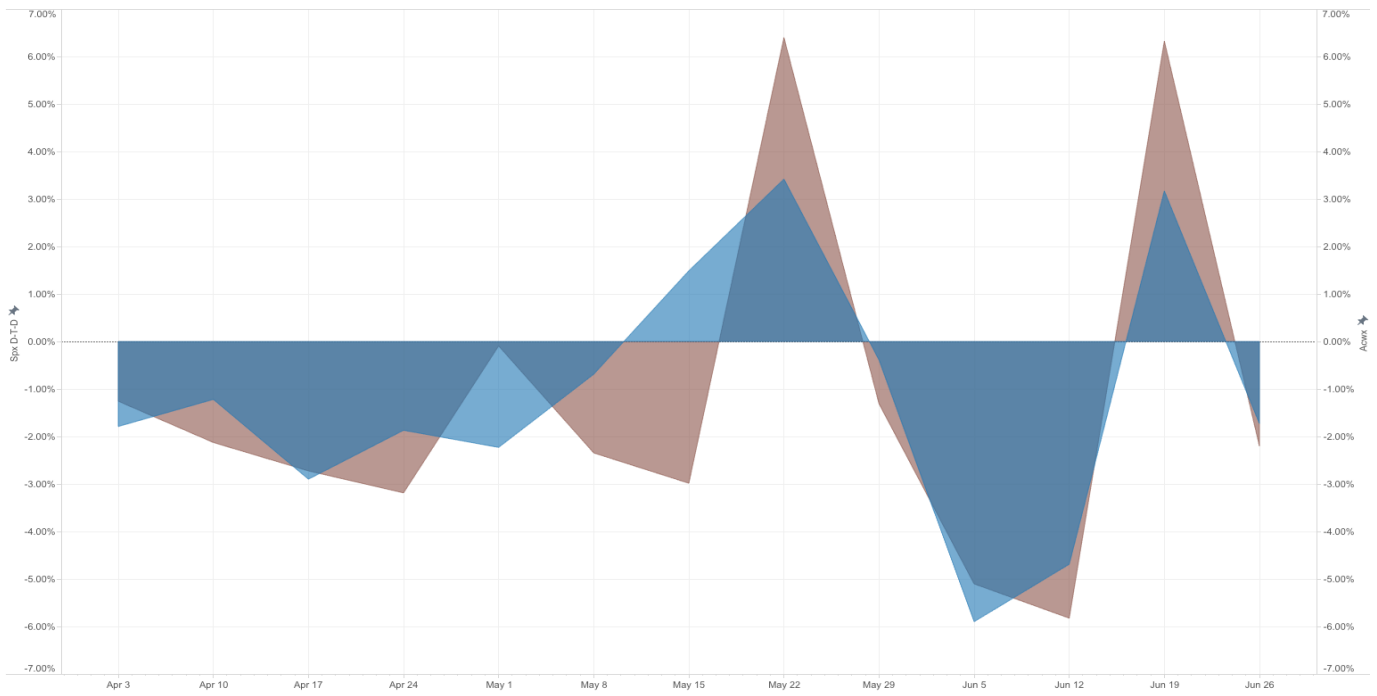
FVAM (green) vs EEM (Emerging Markets) , Year-to-Date '22 (thru July 2022), Weekly



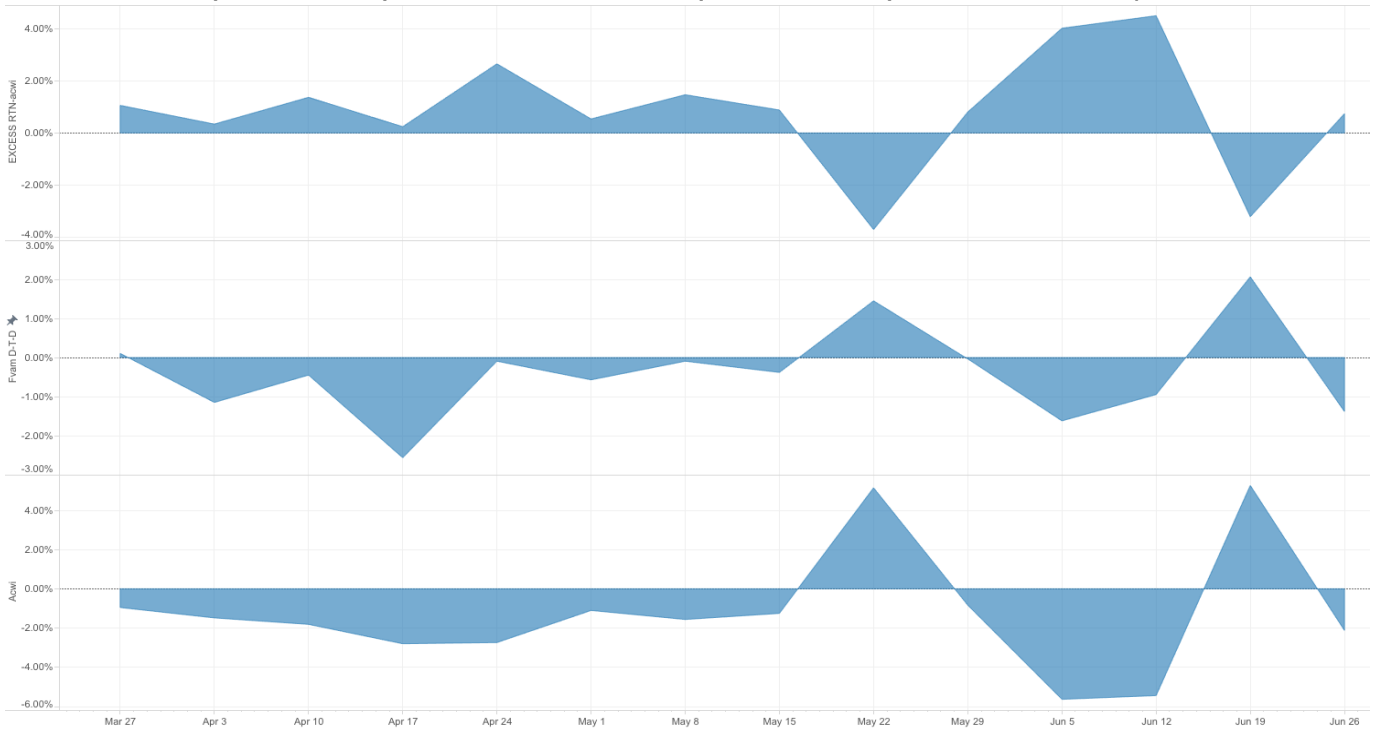
FVAM (green) vs LQD (Investment Grade Corporate Bonds), YTD '22 (thru July 2022), Weekly



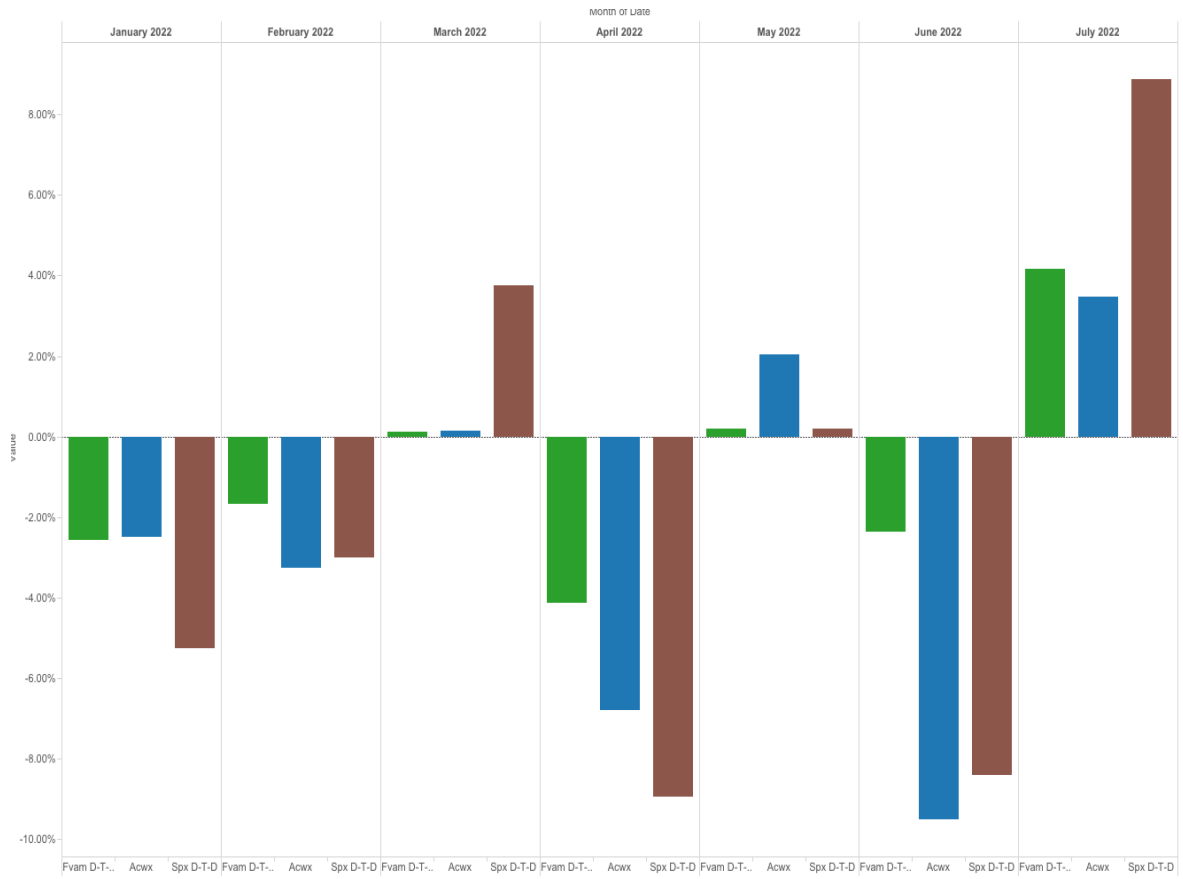
S&P 500 vs ACWX (blue, World Index minus U.S.), Q2 2022, Weekly



FVAM vs ACWI (World Index), with Relative Return (excess return), Q2 2022, Weekly



FVAM (green) vs ACWX (World Index minus USA, blue) vs S&P 500, Year-to-Date (full-year 2022 thru July), monthly returns



Reference 1: FVAM Fund Performance Stats (showing view of June 2022, FVAM vs SPX, Statistics)

The data below, displaying just June 2022 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 displays 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 2022



*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 Nasdaq 100 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 2022)



