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FVAM Fund Quarterly Portfolio Report
Q3 - 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 3rd 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".

Contact and Social Media:
Fanvestments, Corporation
Matthew Fanning – Owner / Founder / CIO / Fund Manager
mfanning@fanvestments.com
www.fanvestments.com
Twitter: @fanvestments
facebook.com/fanvestments
Instagram: @fanvestments

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.

Q3 Highlights

For the 3rd Quarter of 2022, the FVAM fund finished slightly positive, producing a 0.4% return. The fund was up 4.10% in July, down -1.94% in August, and down -1.76% in September. On a relative basis, based on an internal performance tracker of 35 index/sectors, FVAM is outperforming by 8% on an overall average basis. The Nasdaq alone is down just over 30% through Mid-December, FVAM down ~10%, outperforming by 20%. For the Quarter, the S&P 500 was down about -5%, with the small cap etf IWM, down -2.75%. The ACWX etf, which tracks stocks around the world excluding the United States, was down -11% for the quarter. Cathie Wood's ARKK growth & innovation fund, was down about -5%, with the Nasdaq100 (QQQ) also down -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 65% 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 ~2% for the 3rd quarter of 2022.

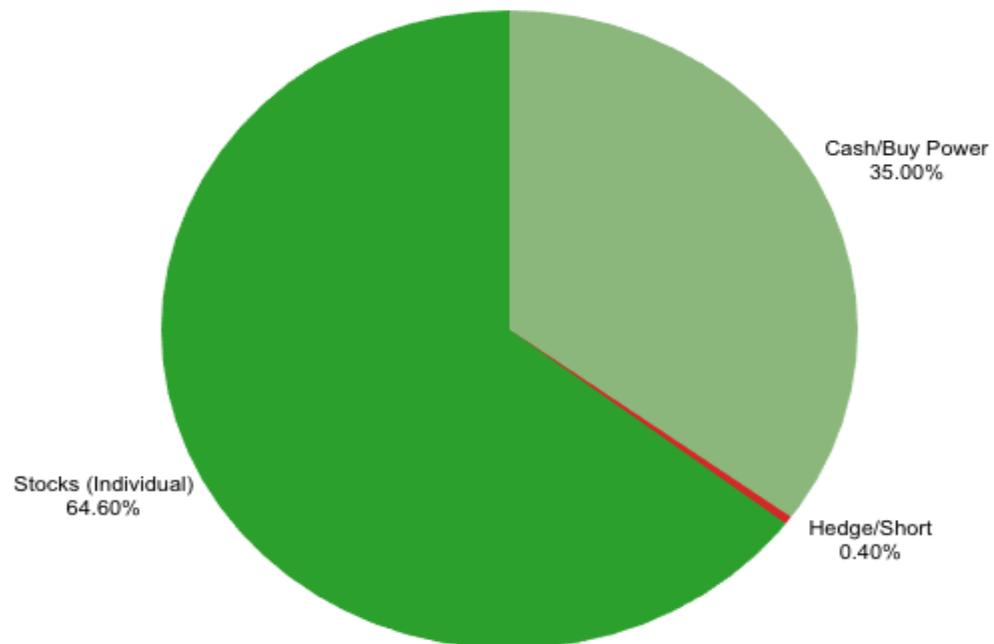
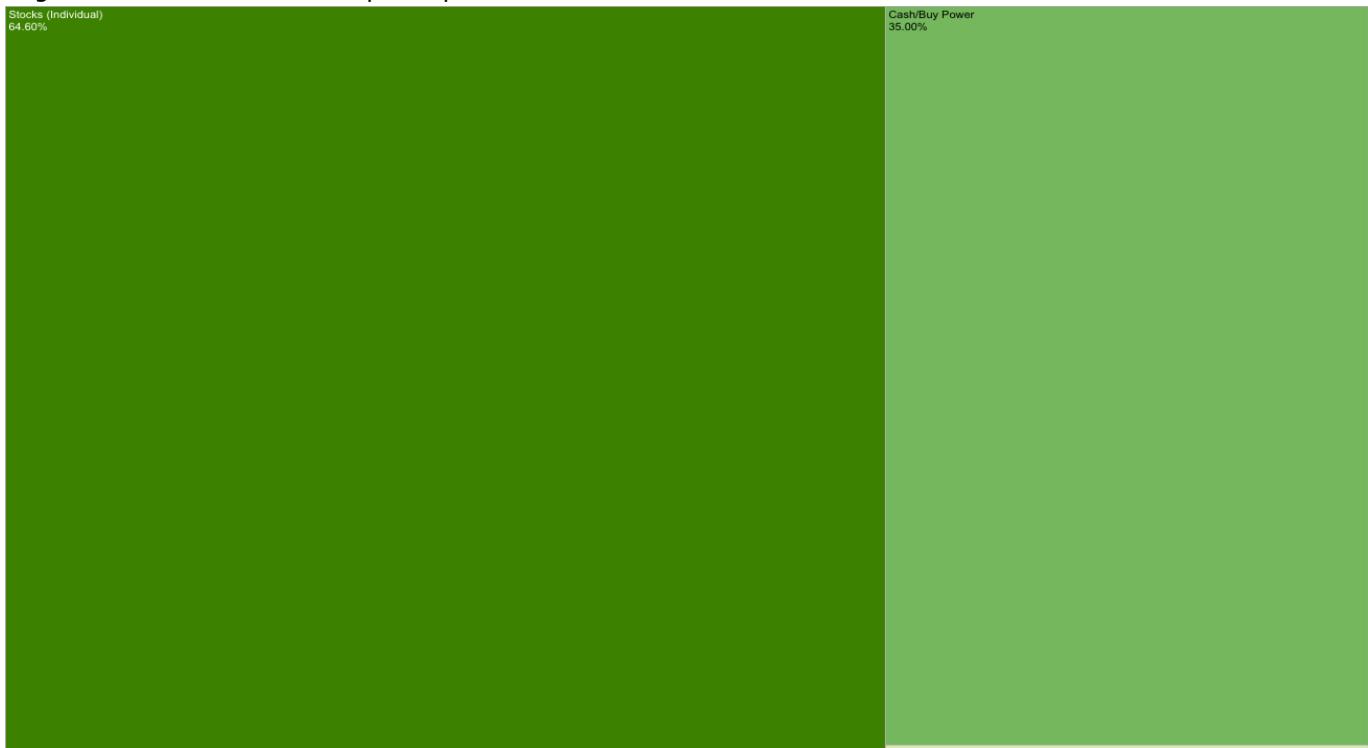
The fund's top performing investments at the end of the 3rd Quarter were Vertex Pharma (VRTX), World Wrestling Entertainment (WWE), and Teladoc (TDOC) short (via puts) as the top three. Following them up was Hedge Position short QQQ (via puts), Bed Bath & Beyond (BBBY), United States Oil Fund (USO, short via puts), Mosaic (MOS), Abbvie (ABBV), Acumen Pharma (ABOS), and Halliburton (HAL) rounding out the top 10 performing positions. Of those top 10; Teladoc, Bed Bath & Beyond, USO, 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. Acumen Pharma also remains a longer term position, just smaller and non-core due to its size and risk. Baidu (BIDU), Alibaba (BABA), aka. China Tech was Sold in full, but looking out further, into Q4 and 2023, China Technology will remain in the batters box, and also currently looking at JD.com, Las Vegas Sands, and Melco Casino. Fund sold Baidu around \$137 and Baba @ ~\$110, both falling 30-40%, until a current bottom in price in early November. In the quarter, the fund increased core investments in Tesla (TSLA), Paypal (PYPL), and increased non-core position in Poseida Therapeutics (PSTX). Minor reductions, profit taking, in Vertex, WWE, Abbvie, Crispr and Coupang. The fund initiated a new core position in Disney (DIS) with an average cost around \$105, with the stock trading slightly under \$100 in early November. Based on its Q4-2022 earnings report, Disney produced quarterly revenue of \$20.2 billion, and just under \$83 billion in Revenue for the last 12 months, with a market cap of \$165 billion. Overall operating income for the year increased 56% to \$12.1 billion. 12-month price target at \$130, about 40% upside, which would be ~3x Sales. Longer-term out 3-4 years looking for \$250, using an average of 9% year-over-year revenue growth, and 4x Revenue. Can read more about Disney here: [Disney Q4-2022 Earnings Report](#)

Looking into Q4 2022, new core positions were initiated in Pfizer (PFE), Southwest Airlines (LUV), Walgreens (WBA), Taiwan Semiconductor (TSM), Google (GOOGL), and a non-core position in Moderna (MRNA). Core-position World Wrestling Entertainment was sold in-full, for a sizable gain, and the fund's 2nd best investment year-to-date. Position was started back in February 2021 between \$47 to \$55, and was sold mostly between \$65 up to \$78. Position in Splunk was sold in-full, for a small loss. Pfizer is a major bio-pharmaceutical business involved in the full-cycle of drug development & distribution. They have two major segments, biopharma, a medicines business including major areas such as Vaccines (especially its COVID-19 vaccine developed with BioNTech), Oncology, rare-disease, and immunology. The other segment, PC1, involves global contract development & manufacturing. The fund has an avg. cost ~\$45/share for PFE, with the stock currently around \$54 in mid-December. 12-month price target at \$67-\$70, about 30% upside, which would be ~4x Sales., and a 3.2% dividend. Longer-term out 3-4 years looking for \$85-\$90, using an average of 6% year-over-year revenue growth, and 4x Revenue. Can read more about Pfizer here: [Pfizer Investor Relations](#)

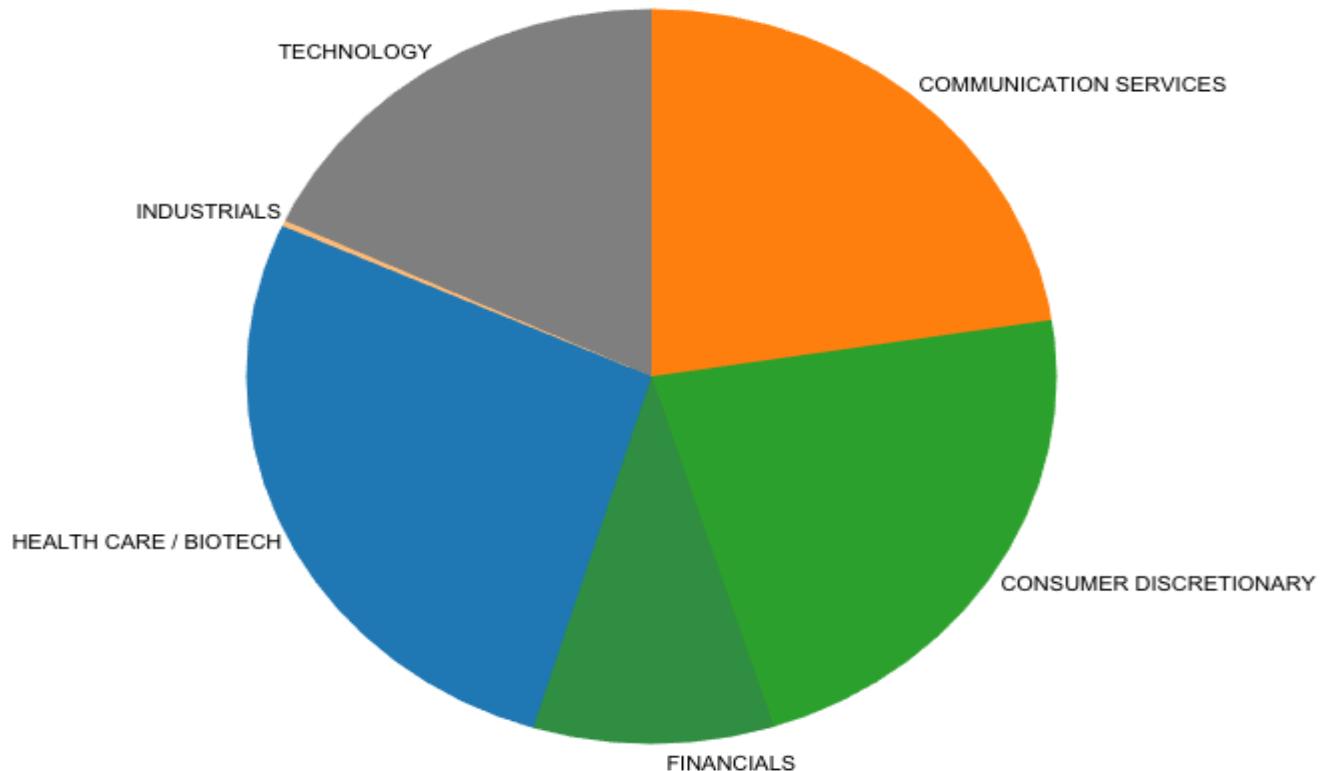
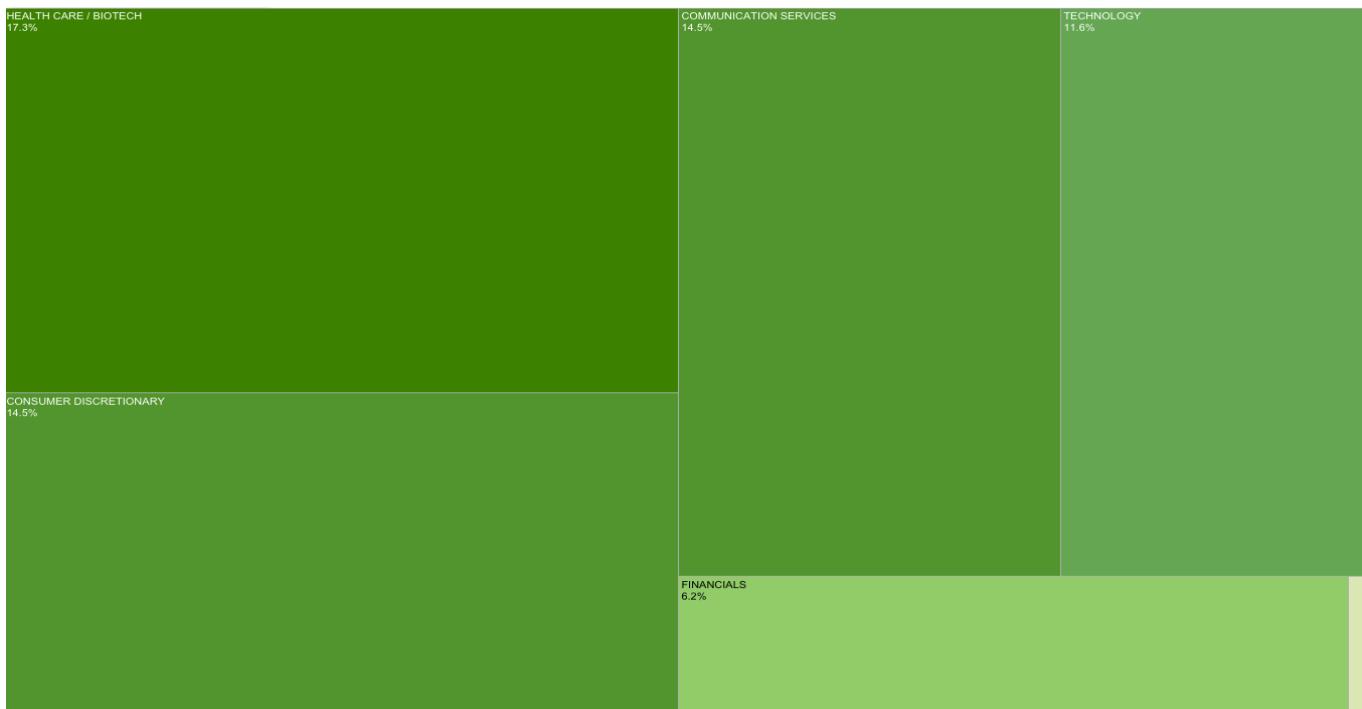
Google (GOOGL), is the world's dominant internet search engine, capturing 85-90% of all search engine revenue. The business is broken down into google services, google cloud, and other bets. Services includes Youtube, Maps, Ads, where cloud includes infrastructure services, google office, enterprise, and storage. The fund started buying GOOGL this October around \$101 and has been dollar-cost averaging since with an average cost just above \$97, with the stock around \$93 mid-December. 12-month Price-target at \$133, about 6x sales, longer-term @ \$251, if can average 10% sales growth. Can read more about Google here: [Google \(Alphabet\) Investor Relations](#)

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:

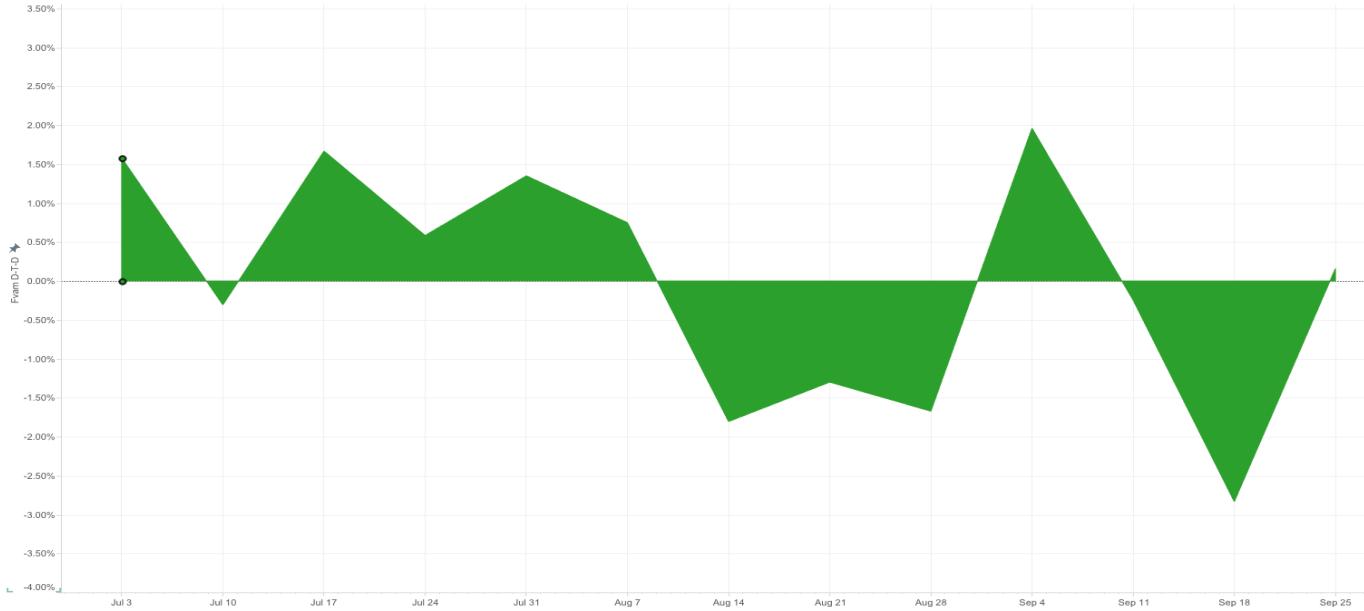


Below shows the further breakdown of only the fund's individual stock exposure. Currently, the heaviest focus of that exposure is allocated towards the Technology sector, as well as the Healthcare / Biotech sector

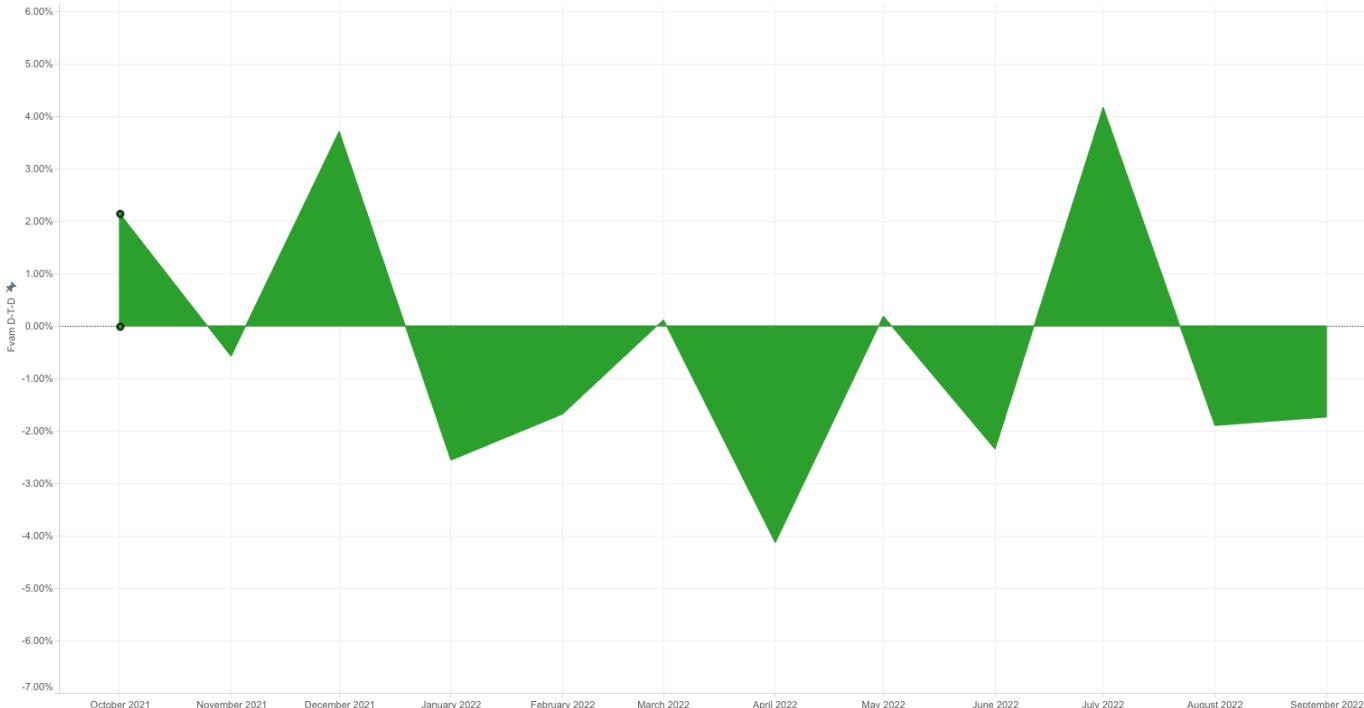


Performance Analysis: Analyzing the breakdown of the Fund's performance, as well as comparisons to other investment vehicles/index, such as the S&P 500, \$BRK-b (Warren Buffett's 'Berkshire Hathaway'), ACWX which tracks Global Markets minus the US (World x-US), and the Russell 2000 small cap index (\$IWM)

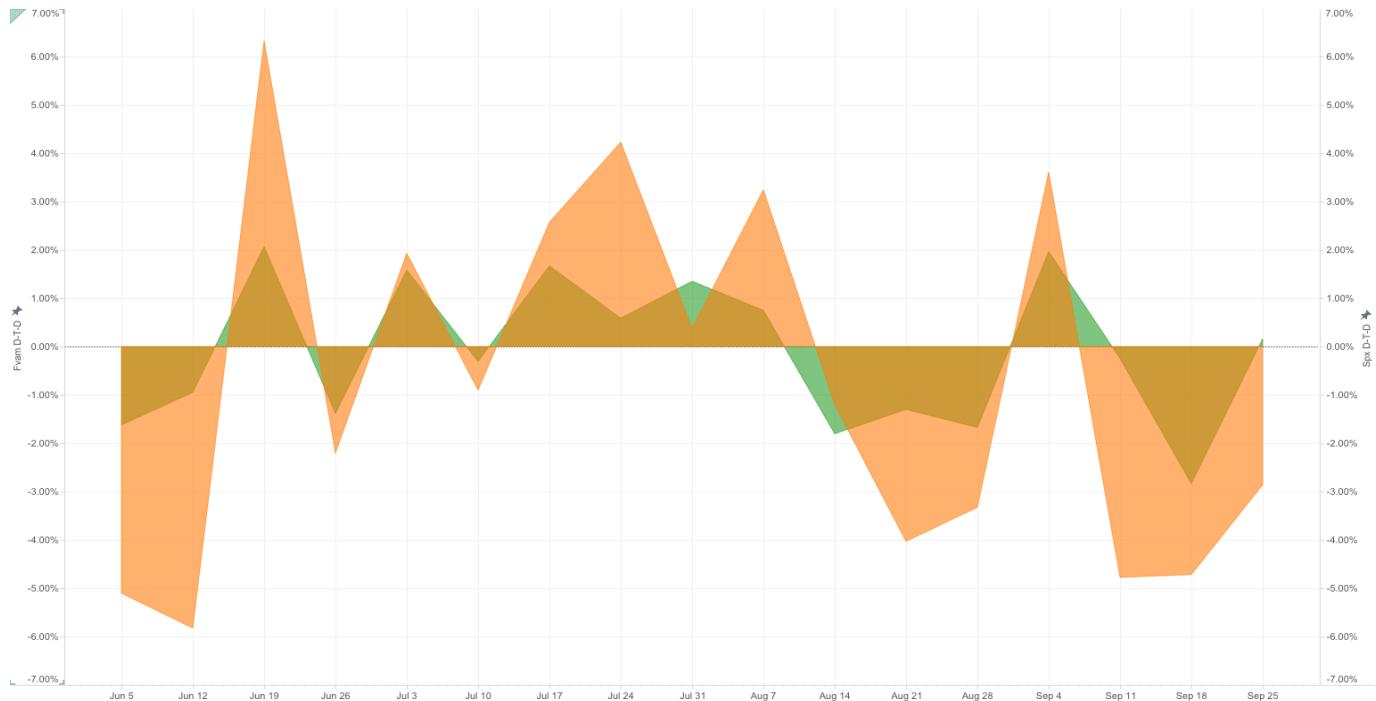
FVAM fund, 3rd Quarter 2022 , Weekly



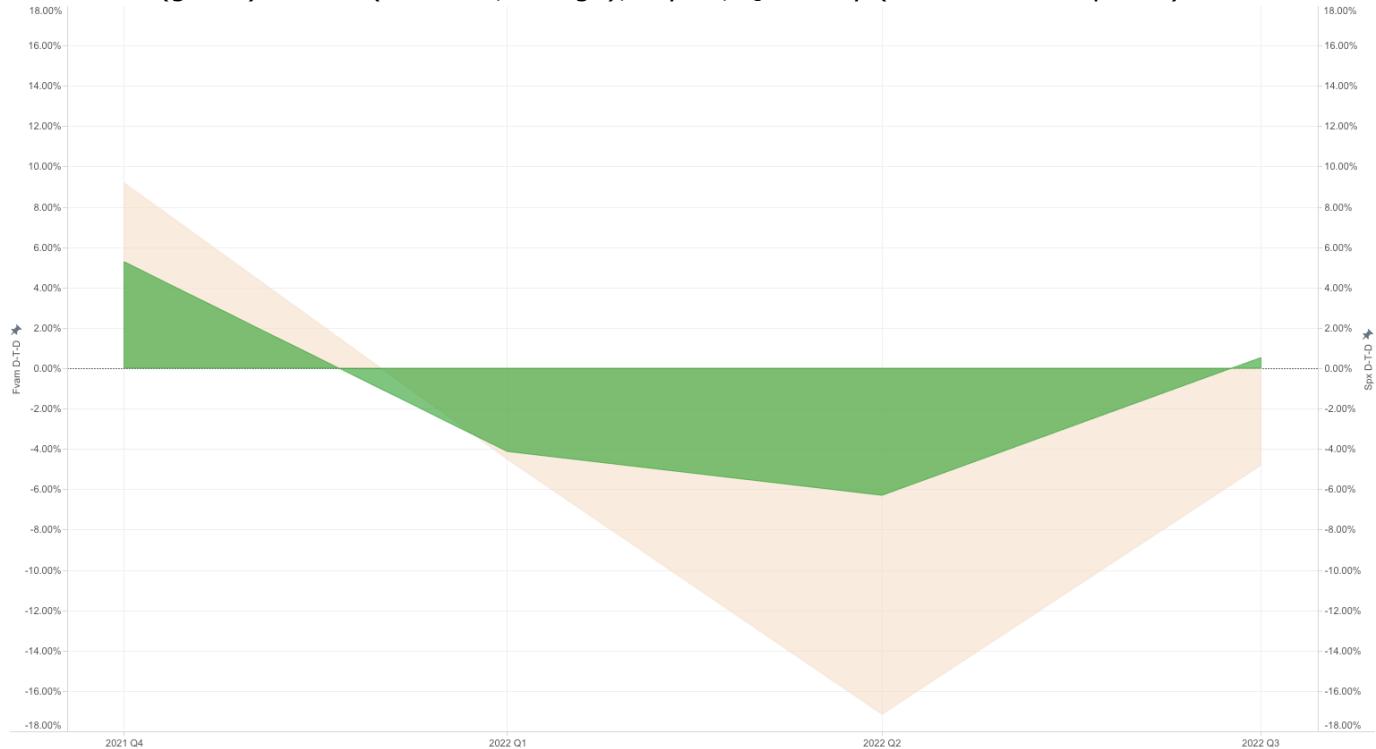
FVAM fund, One-Year, Monthly (Oct '21 thru Sept '22)



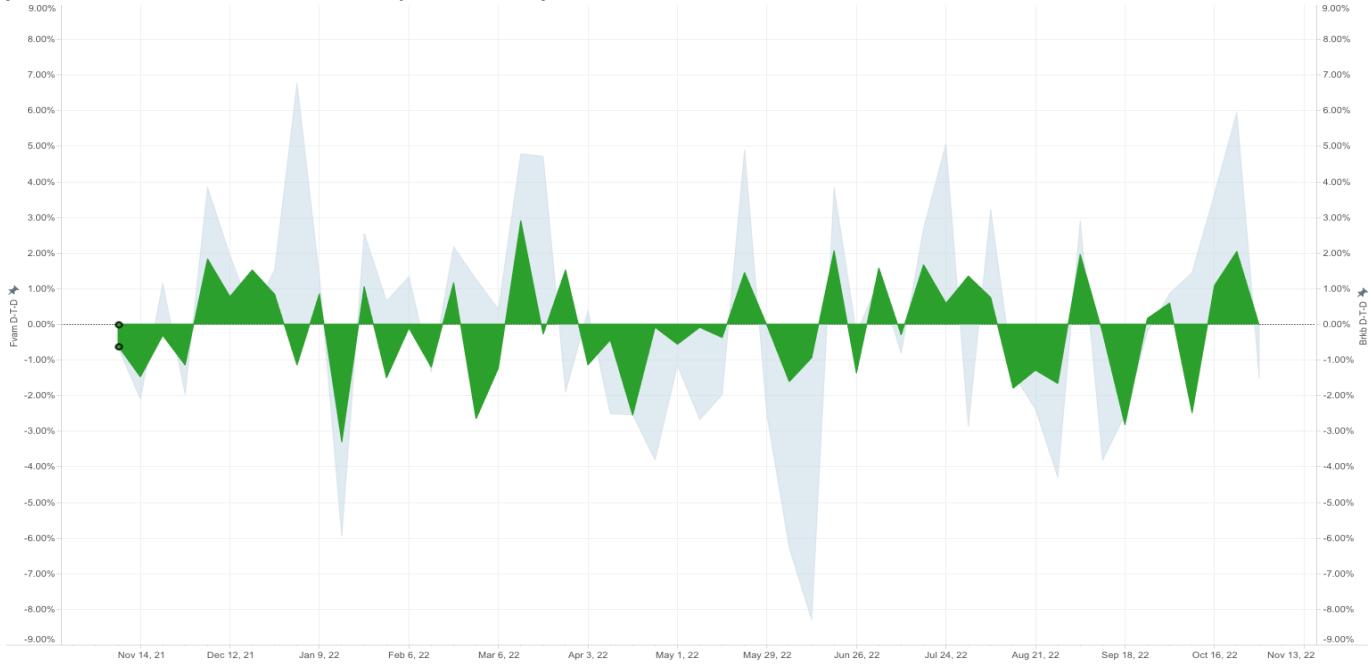
FVAM fund (green) vs SPX (S&P 500, orange), Q3 2022, weekly



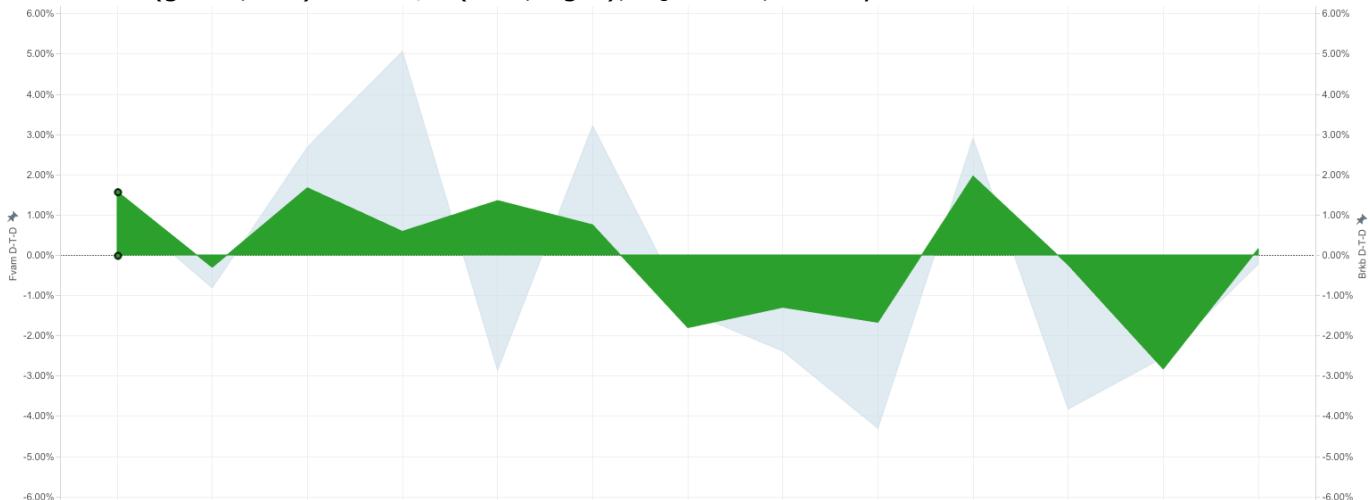
FVAM fund (green) vs SPX (S&P 500, orange), 1-year, Quarterly (Oct '21 thru Sept '22)



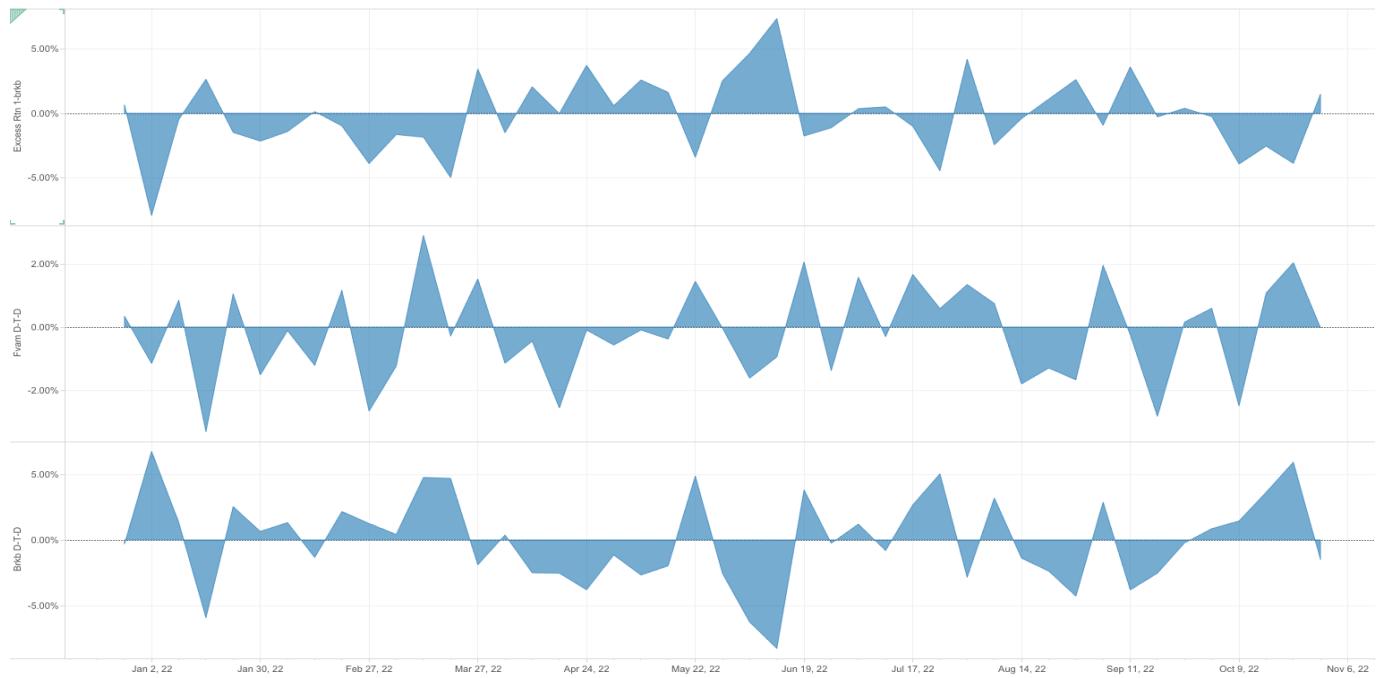
FVAM fund (green, left) vs BRK/b (blue, right), 1-year (thru October), Weekly
(\$BRK-B : Berkshire Hathaway B-shares)



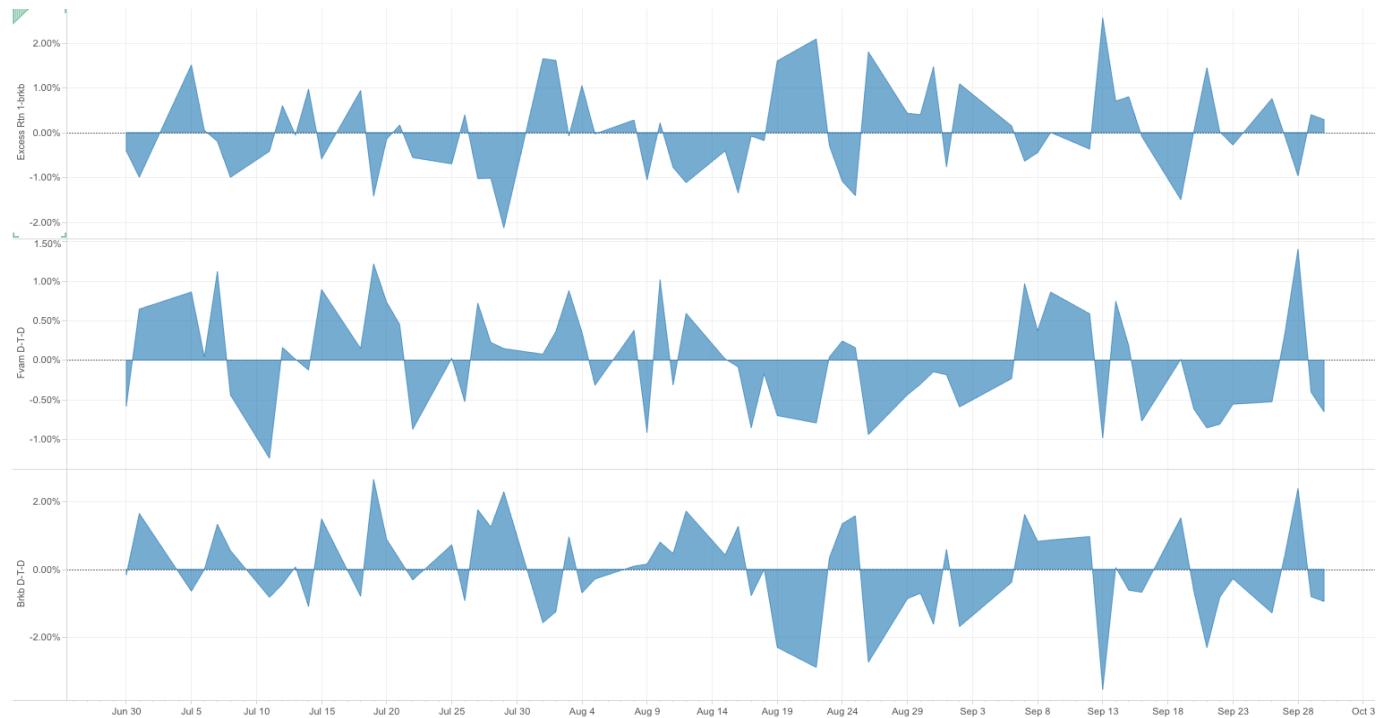
FVAM fund (green, left) vs BRK/b (blue, right), Q3 2022, Weekly



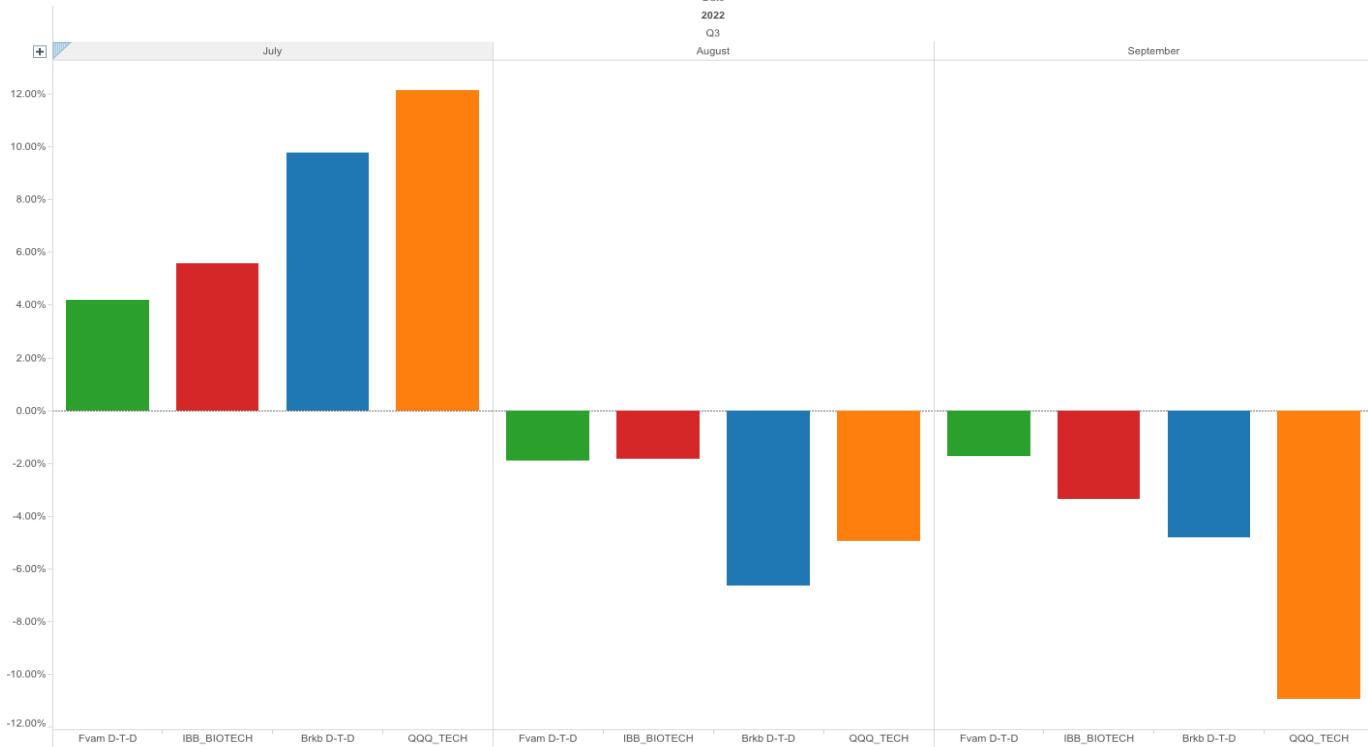
FVAM vs BRK/b and relative return (FVAM vs BRK/b), weekly, YTD thru July
 (excess: positive = outperformance, negative = underperformance)



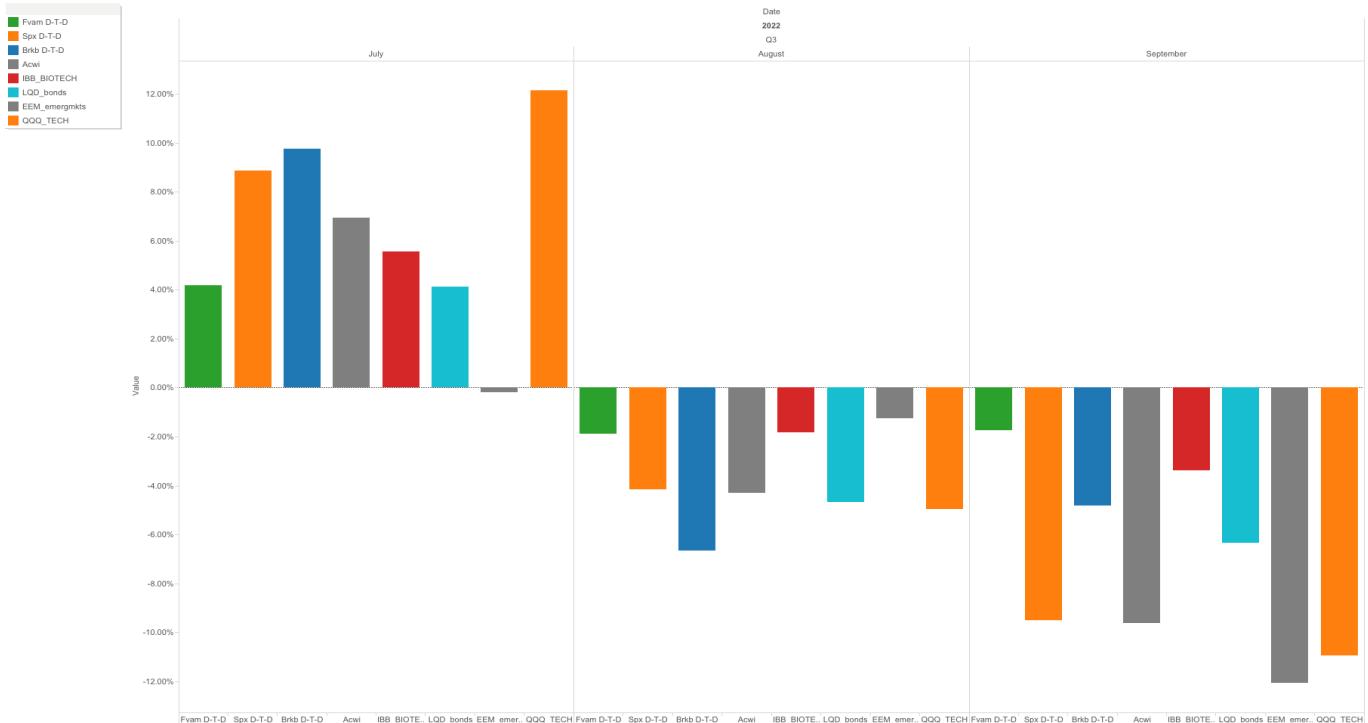
FVAM vs BRK/b and relative return (FVAM vs BRK/b), daily, Q3 2022
 (excess, positive = outperformance, negative = underperformance)



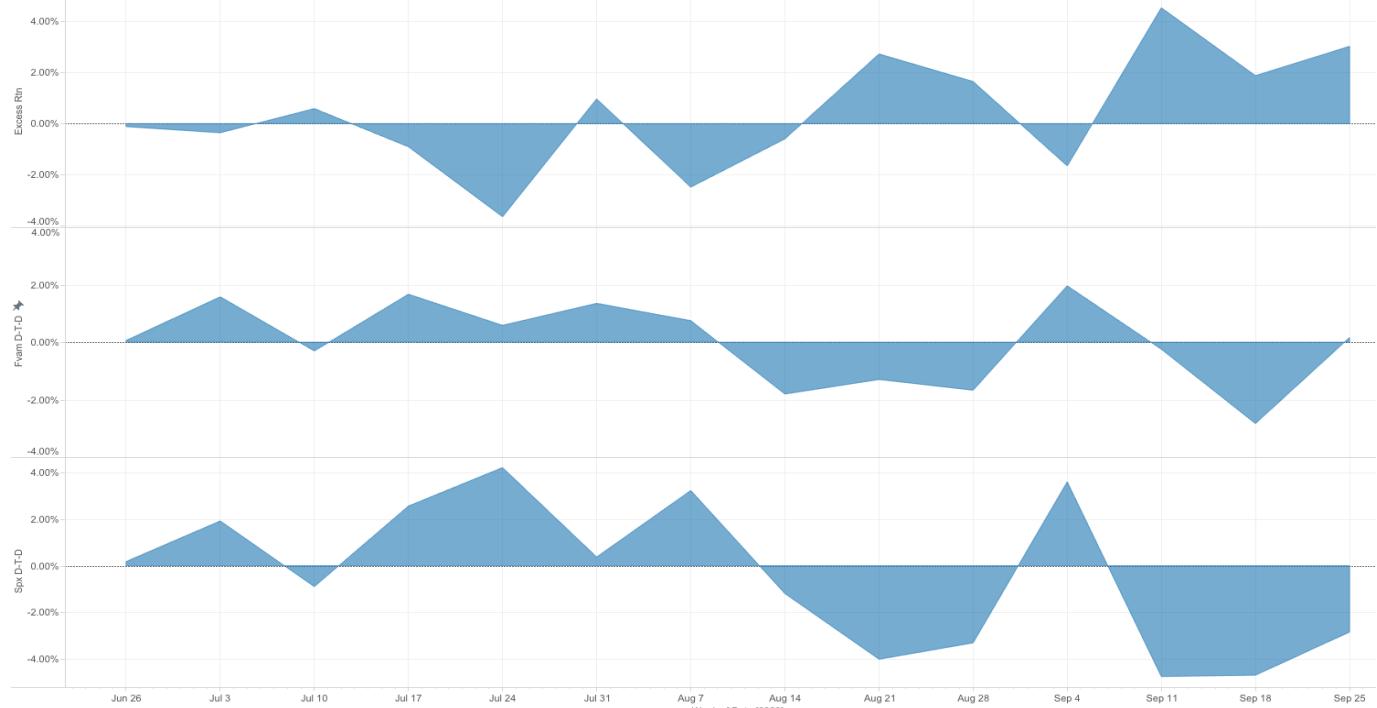
FVAM (Green) vs S&P500 vs IBB (BioTech Index Fund) vs BRK/b (Berkshire Hathaway) , 3rd Quarter - 2022



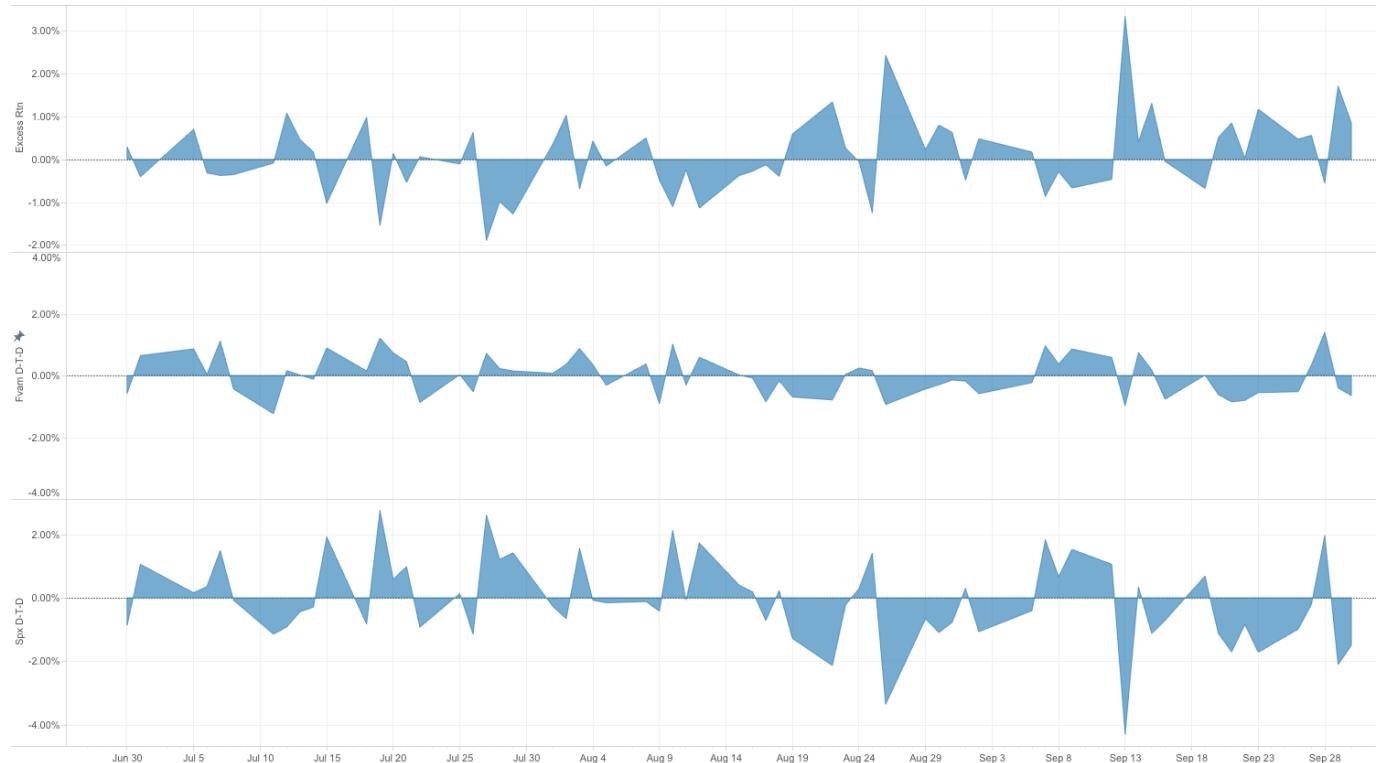
FVAM (green) vs S&P500 vs BRK/b (Berkshire Hathaway) vs ACWI (World Index) vs IBB (BioTech Index Fund) vs LQD (Bonds) vs EEM (Emerging Markets) vs QQQ (Nasdaq), Q3 - 2022



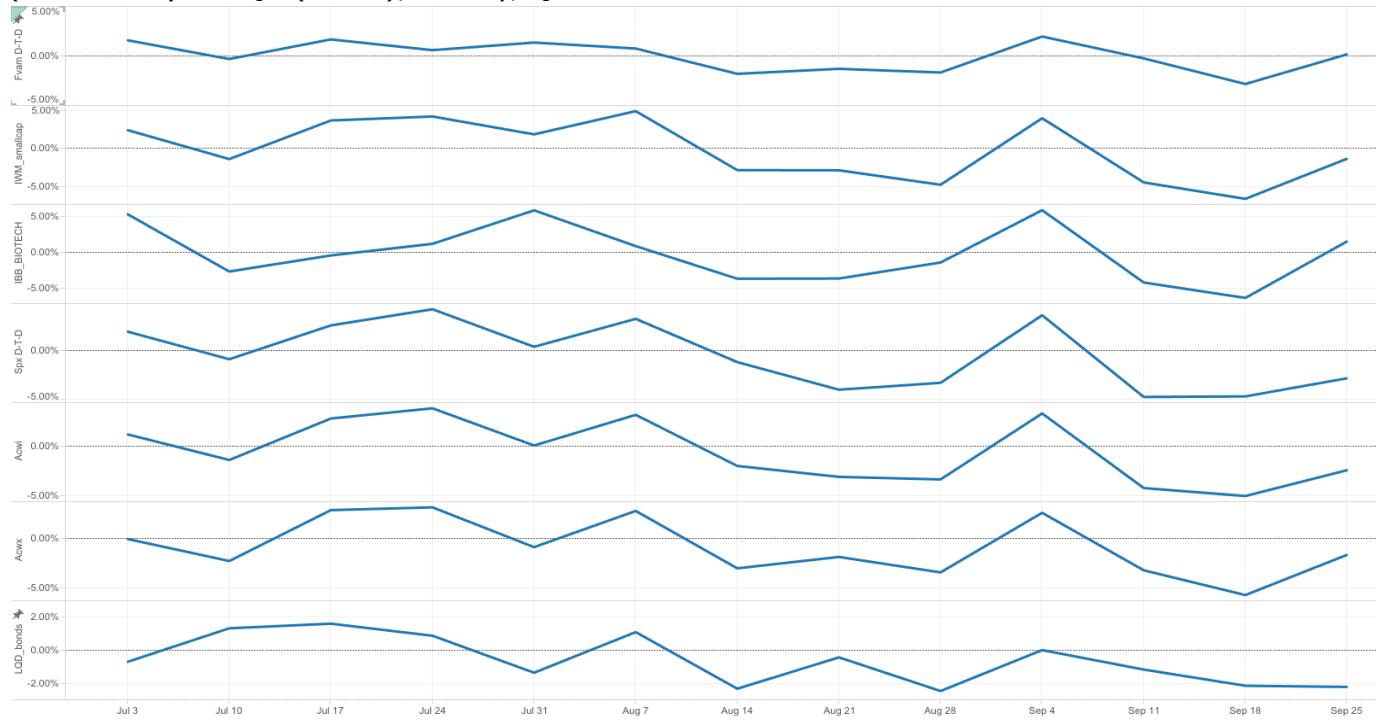
FVAM vs SPX and relative return (FVAM vs SPX), Q3 - 2022, weekly
 (*excess return shows FVAM vs SPX, shows by how much FVAM is outperforming or underperforming the S&P 500)



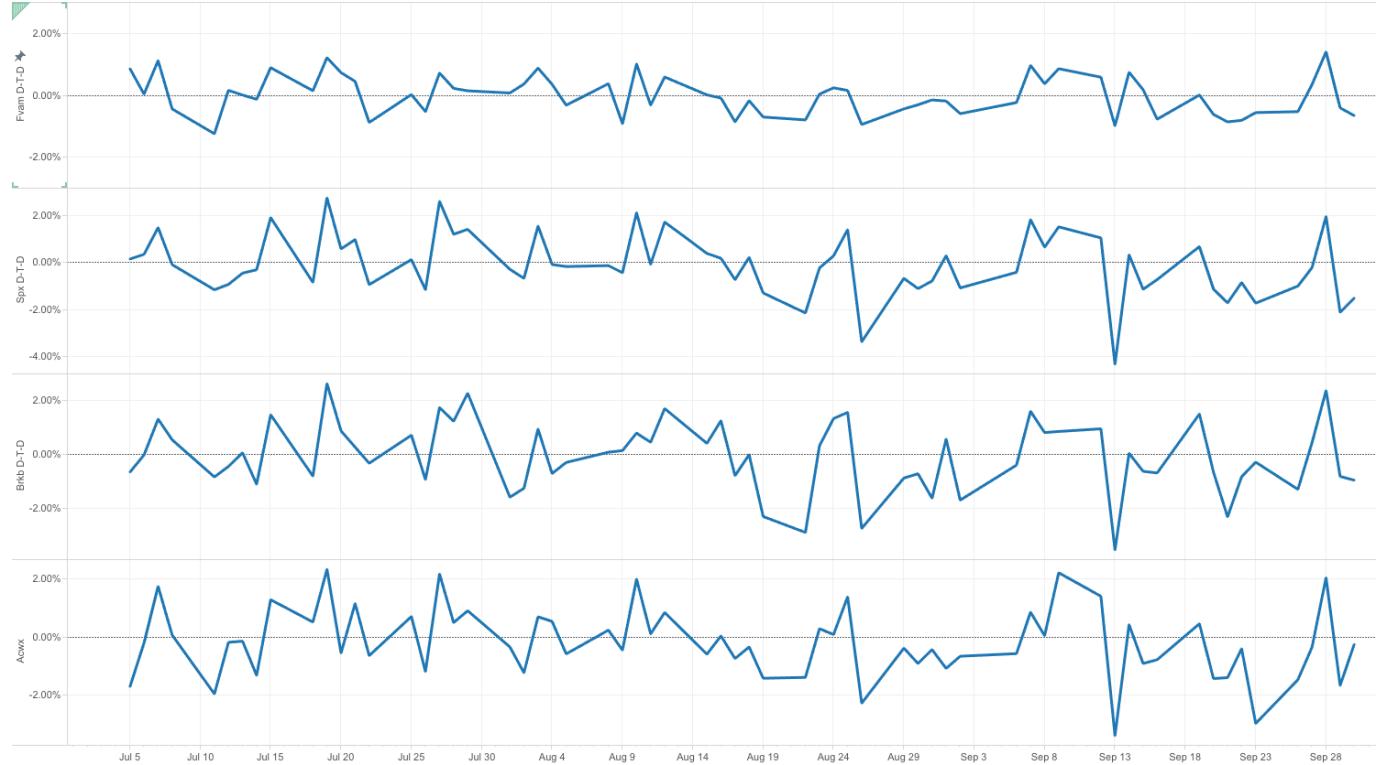
FVAM vs SPX and relative return (FVAM vs SPX), Q3 - 2022, Daily



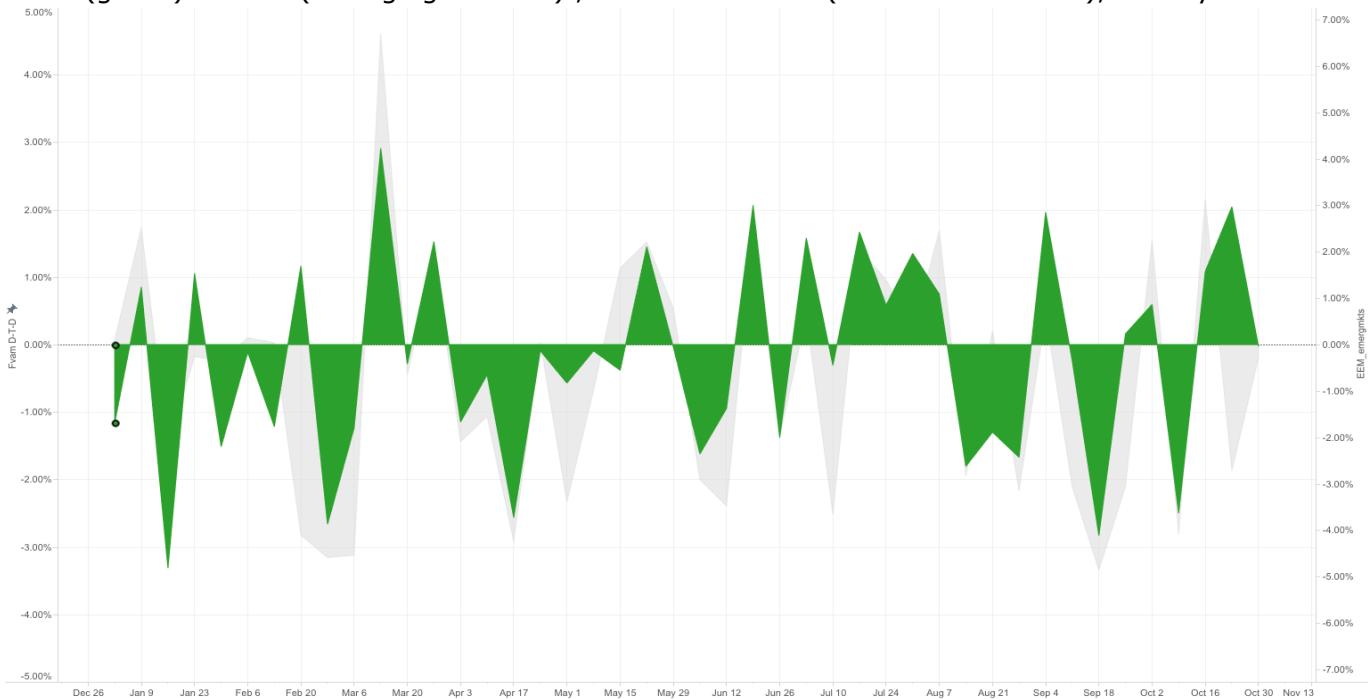
FVAM vs IWM (small caps) vs IBB (biotech) vs SPX (S&P 500) vs ACWI (world index) vs ACWX (world x-US) vs LQD (bonds), Weekly, Q3



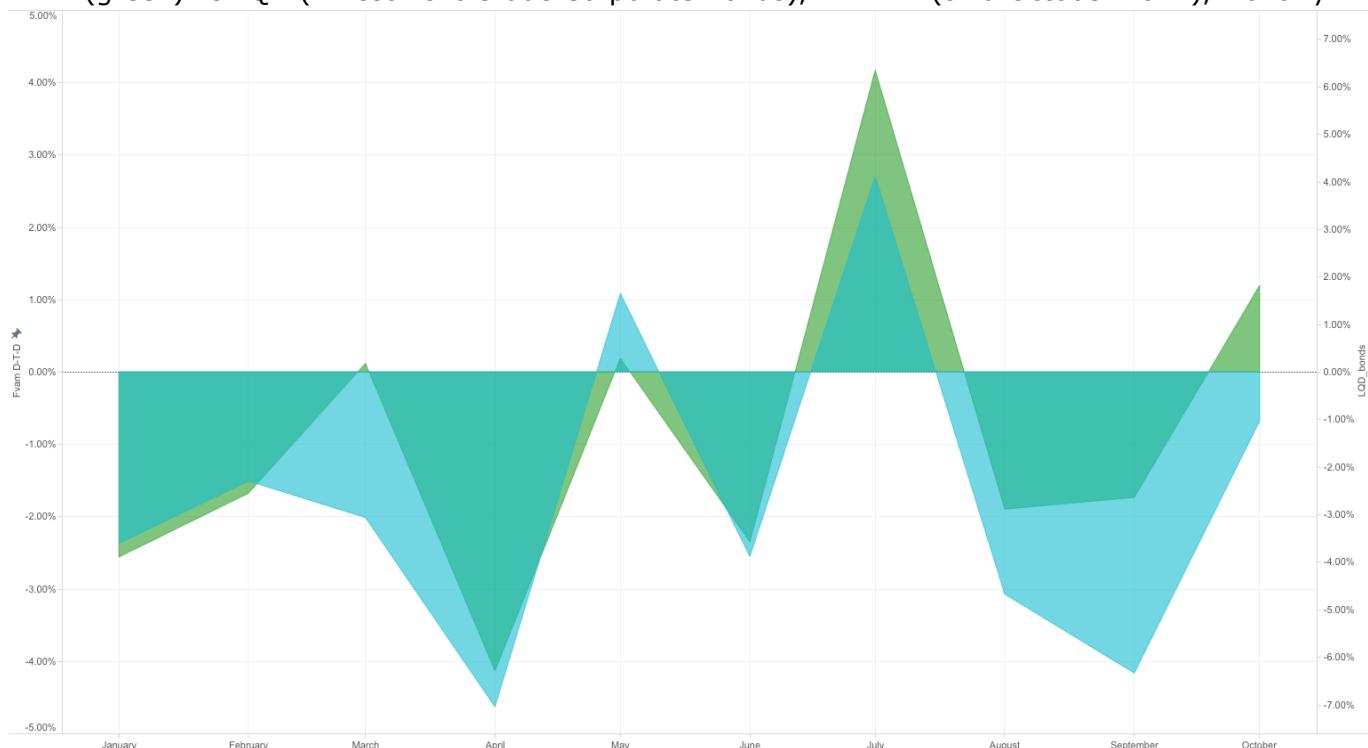
FVAM vs S&P 500 (\$SPX) vs Berkshire Hathaway (\$BRK/b) vs \$ACWX (World Index x-US), Daily, Q3



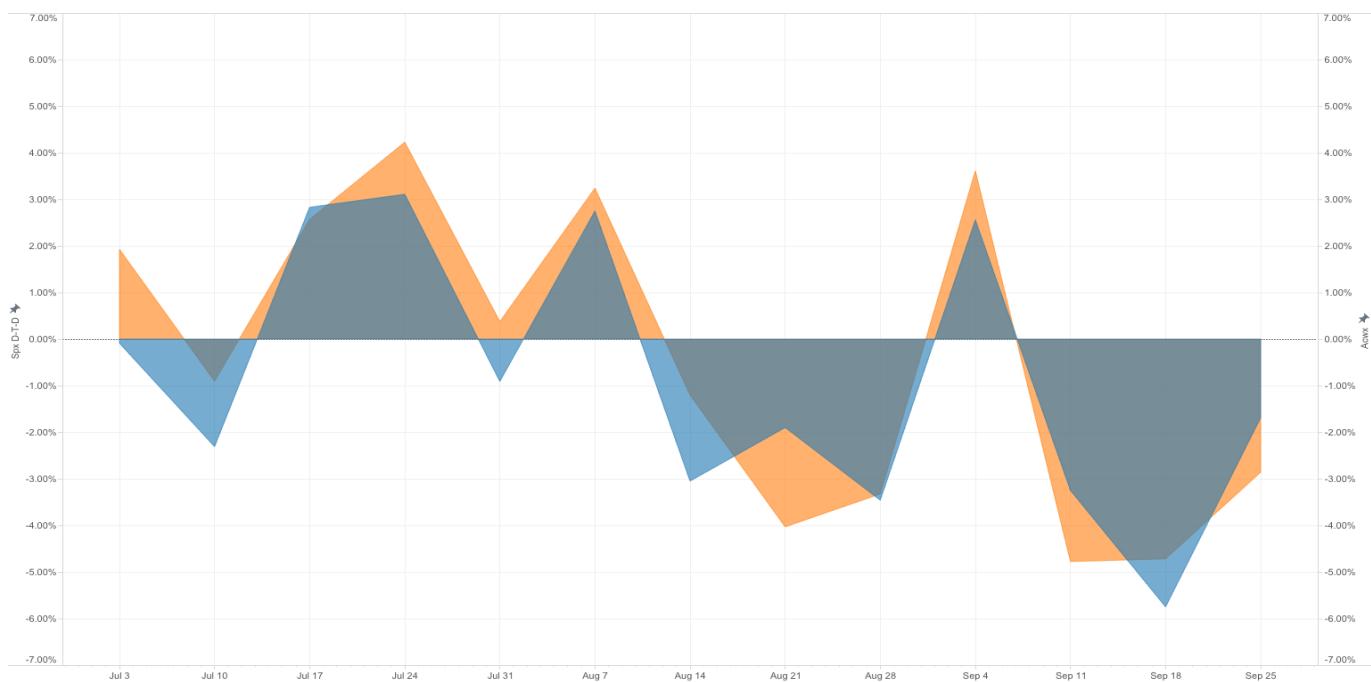
FVAM (green) vs EEM (Emerging Markets) , Year-to-Date '22 (thru October 2022), Weekly



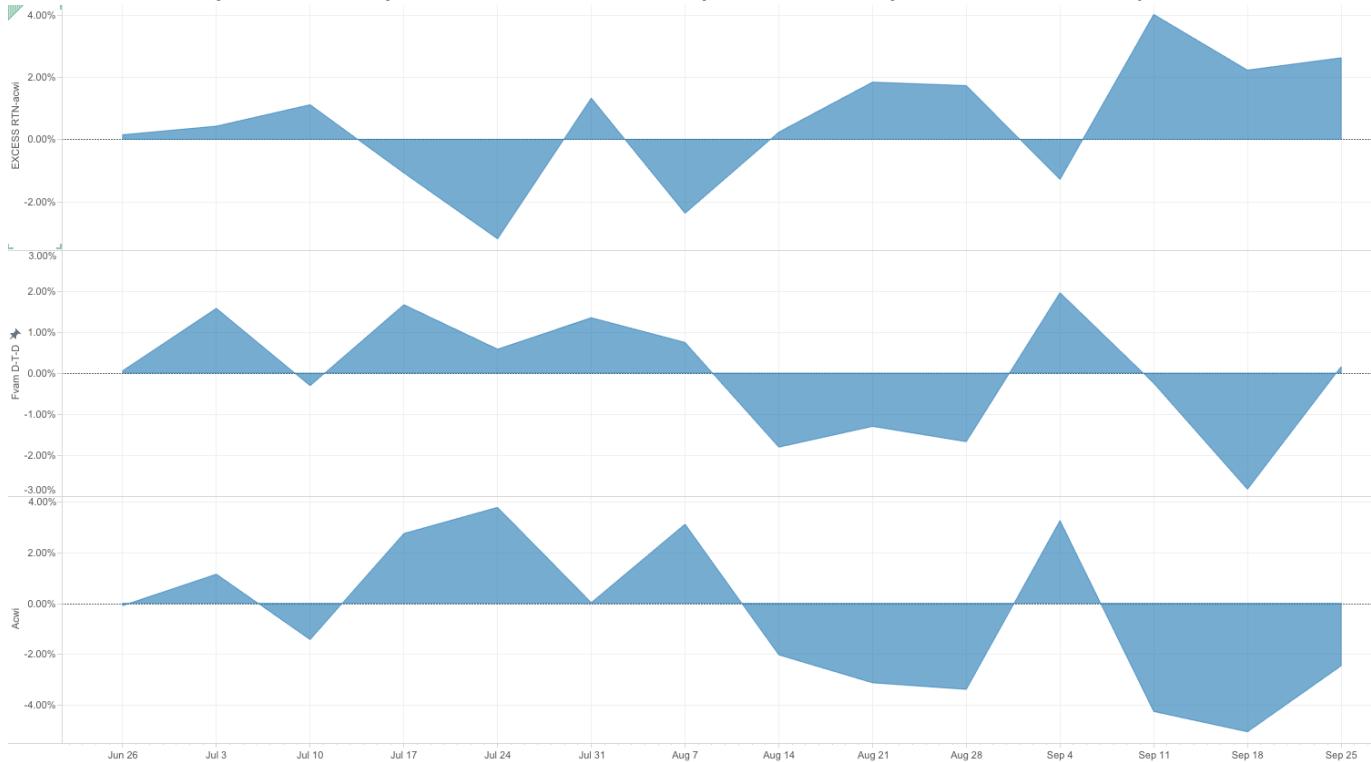
FVAM (green) vs LQD (Investment Grade Corporate Bonds), YTD '22 (thru October 2022), Monthly



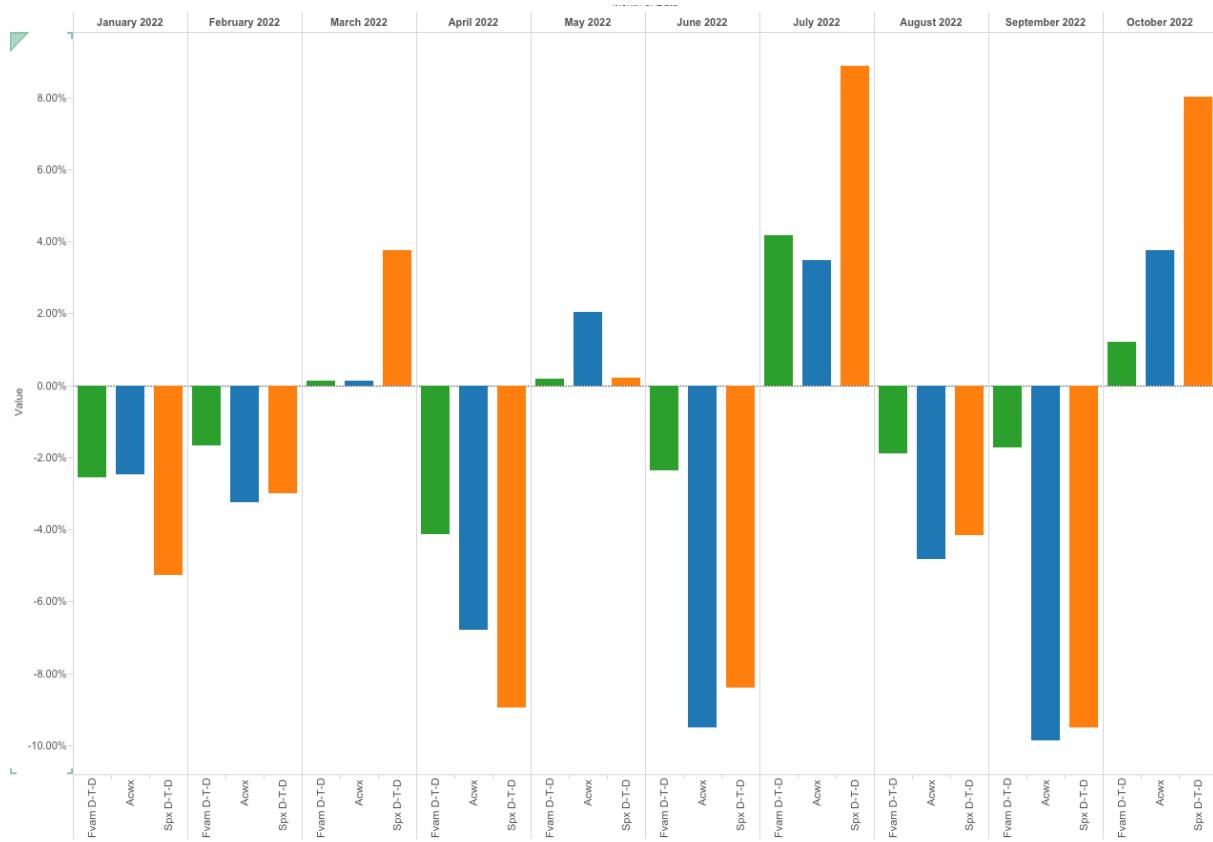
S&P 500 vs ACWX (blue, World Index minus U.S.), Q3 2022, Weekly



FVAM vs ACWI (World Index), with Relative Return (excess return), Q3 2022, Weekly



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

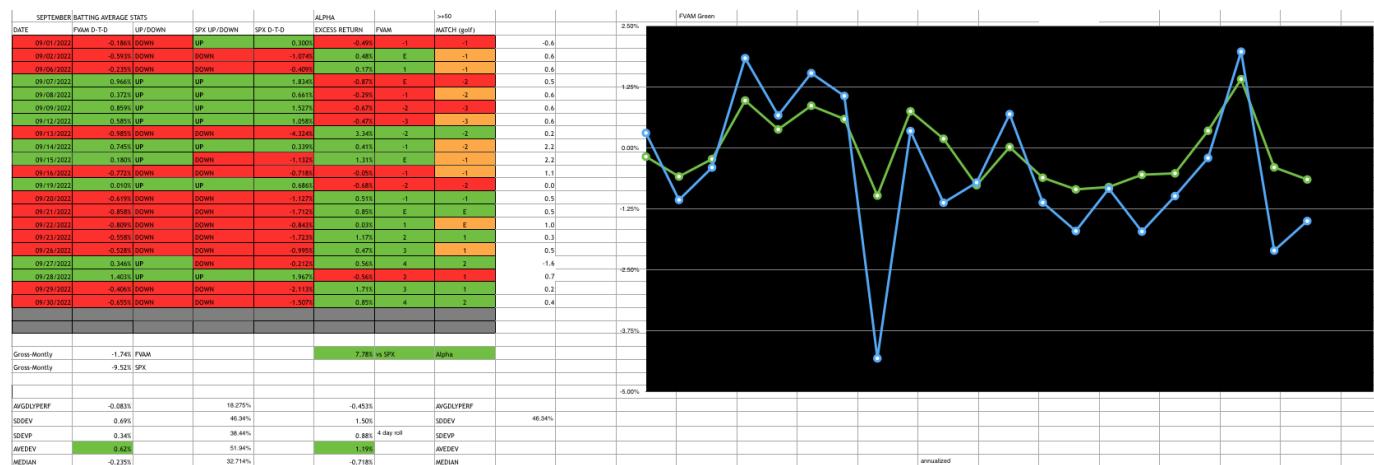


Reference 1: FVAM Fund Performance Stats (showing view of September 2022, FVAM vs SPX, Statistics)

The data below, displaying just September 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.

September 2022

With the S&P 500 down ~9.5%, FVAM held up, coming in down just about -1.75%



*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 early December 2022)

