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FVAM Fund Quarterly Portfolio Report
Q3 - 2021

***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 2021, 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 occasional exposure to fixed income, currency, and commodities, for the 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. 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", 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, utilizing 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. 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 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 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, a diversified multi-asset fund (stocks, bonds, ETFs), 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 2021, the FVAM fund finished lower, producing a -4.41% return, the fund's first negative quarterly return since the 1st quarter of 2020. The fund was down -2.36% in July, up 0.45% in August, and down -2.5% in September. On a 1-year basis, from Sept. '20 thru Sept '21, FVAM is up 9.14%. For the Quarter, the S&P 500 was up about 0.4%, with the small cap etf IWM, down 14.3%. The ACWX etf, which tracks stocks around the world excluding the United States, was down 13.51% for the quarter. Cathie Wood's ARKK growth & innovation fund, was down over -15%. 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 80% 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 comparative benchmark for the fund, is Warren Buffett's Berkshire Hathaway. Using the BRK/b shares, Berkshire was down ~2.1% for the 3rd quarter of 2021. Looking into the 4th Quarter, the FVAM is looking stronger, up about 2.3% thru November.

The fund's top performing investments year-to-date, through the end of the 3rd quarter, were Tilray (TLRY), Vir Biotechnology (VIR), and Advanced Micro Devices (AMD) as the top three. Following them up was Salesforce (CRM), crypto miner Marathon Digital (MARA), crypto Ethereum (via grayscale's ETHE), Baidu (BIDU), and DraftKings (DKNG), with Clover Health (CLOV), and Carnival (CCL) rounding out the top 10 performing investments. Of those top 10; Tilray, Vir Biotech, Marathon, Ethereum, Baidu, and Clover have all been sold in full for sizable gains. AMD, Salesforce, and Carnival continue to be longer-term investments. Carnival is more of a post-covid, leisure & travel strategy, with the position currently slightly negative, stock around \$20/share with a \$22 cost. CCL was just above \$50 just before the pandemic. AMD has become one of the fund's best performers of the year, and position has been incrementally sold on the way up. Fund has an average cost at ~\$76 with a \$220 12-month price target. Stock hit a high at \$165, closed around \$145 late november. Salesforce hit a high above \$311, although did sell off some in early December. Fund has an average cost of ~218 with a price target above \$350. In the quarter, the fund increased investments in Vertex Pharma (VRTX), World Wrestling (WWE), Coupang (CPNG), Bumble (BMBL), and Splunk (SPLK). Core positions in Wynn (WYNN), and Raytheon (RTX), were sold in full, both were profitable. Looking further into Vertex, the fund began buying VRTX in late 2020 around 227, which was close to 30% off its high of 306 from July of 2020. Continued to buy lower as the stock reached a low of \$176 this October, with a current average cost at \$214. Q4 is looking much better for Vertex, with the stock back above \$200. Based on its Q3 earnings report, Vertex had ~2 billion in product revenues, and raised guidance for full-year 2021 sales to \$7.5 billion. Target price just above \$360 going out 1-2 years. Using 25x expected 2022 full-year earnings of \$14.50, which would be about 60% growth with just a 25 multiple, or a low (cheap) peg of 0.4 (where a peg above 1.5 would start to be considered expensive)

Can read more about Vertex here : [Vertex Q3-21 Financial Results](#)

Looking into Q4 2021, new core positions were initiated in PayPal (PYPL) and CRISPR Therapeutics (CRSP). Fund also bought back into Apple stock (AAPL), after selling off a winning options position. Fund has an avg. cost ~145 for Apple, with the stock currently around \$180. Current price-target looking out a year at \$233, about 33% upside. Using an average of two targets, 35x 2023 EPS and 8x 2023 Revenue. Forecast needs Apple to grow earnings by 20% '23 over '22, make \$472 billion in Revenue and for '23 earnings of \$6.81, about 9% above current consensus earnings.

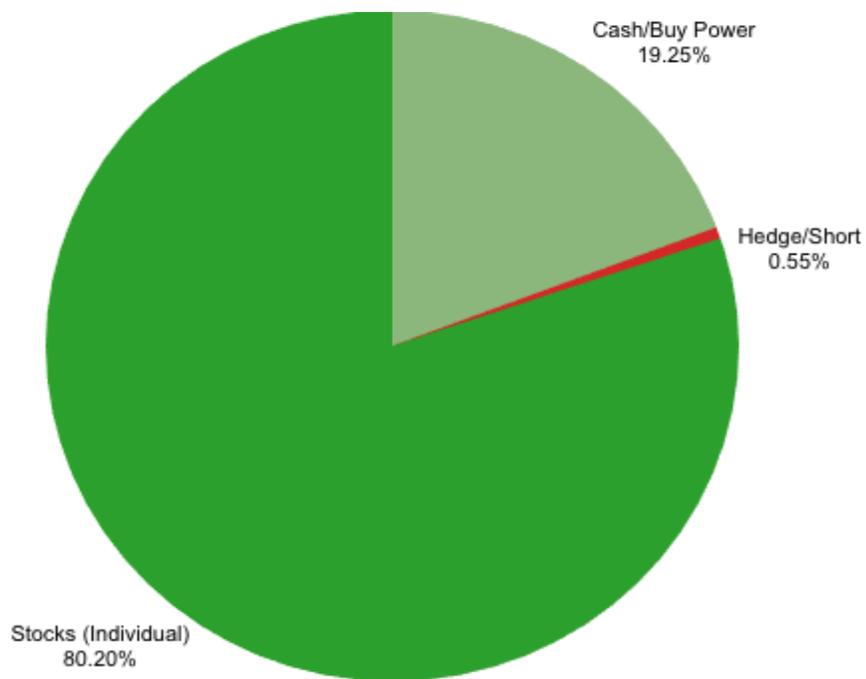
Can read more about Apple here: [Apple Investor Relations](#)

Paypal, which also owns Venmo, was trading just above \$310 back in July of this year, sold off hard down to \$180 in late November. The fund took advantage of the sell off and started buying around \$182. Price target looking out a year at \$247, about 30% upside. Expecting EPS of \$6 in 2022, slightly above consensus, a 1.4x PEG using a 41x earnings multiple (5-year average PE @ 54). Looking out 1-2 years, estimating a price target of \$324, forecast needs 30% EPS growth year-over-year. Paypal is expecting to grow revenue by 18% for 2021, and TPV (Total Payment Volume) to grow by 33%. Paypal has also recently teamed up with Amazon, where US customers will be able to pay with their Venmo Account at checkout.

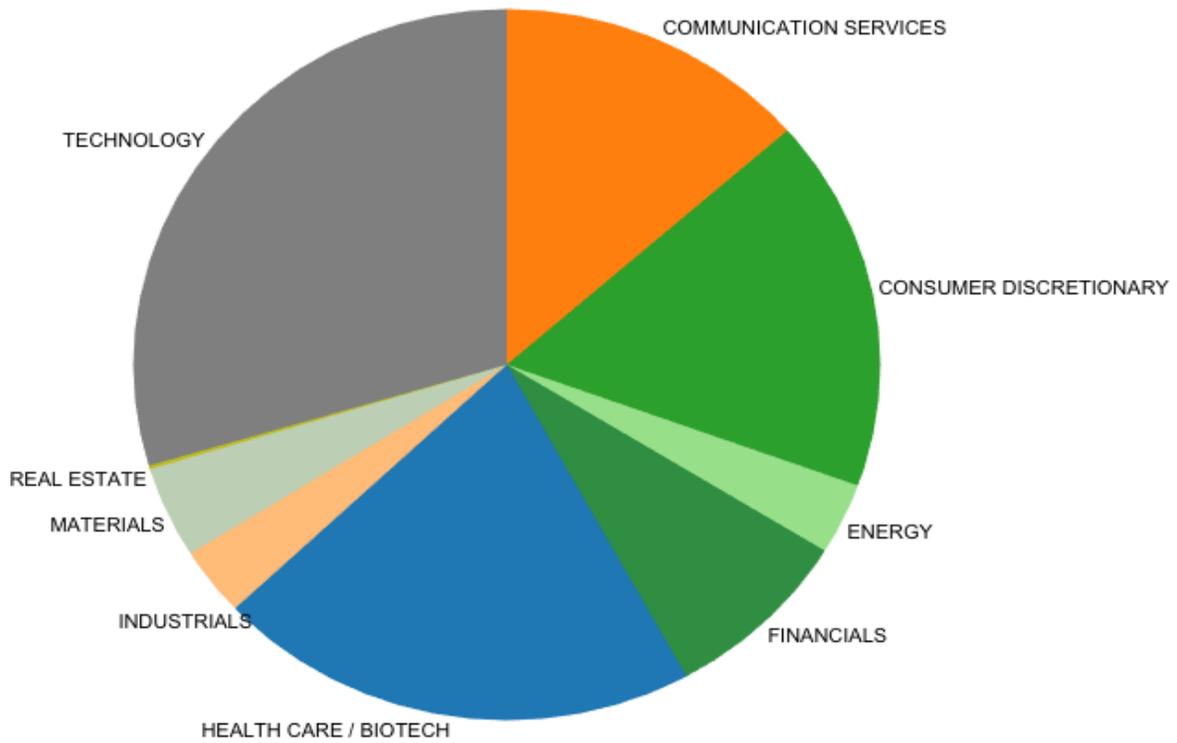
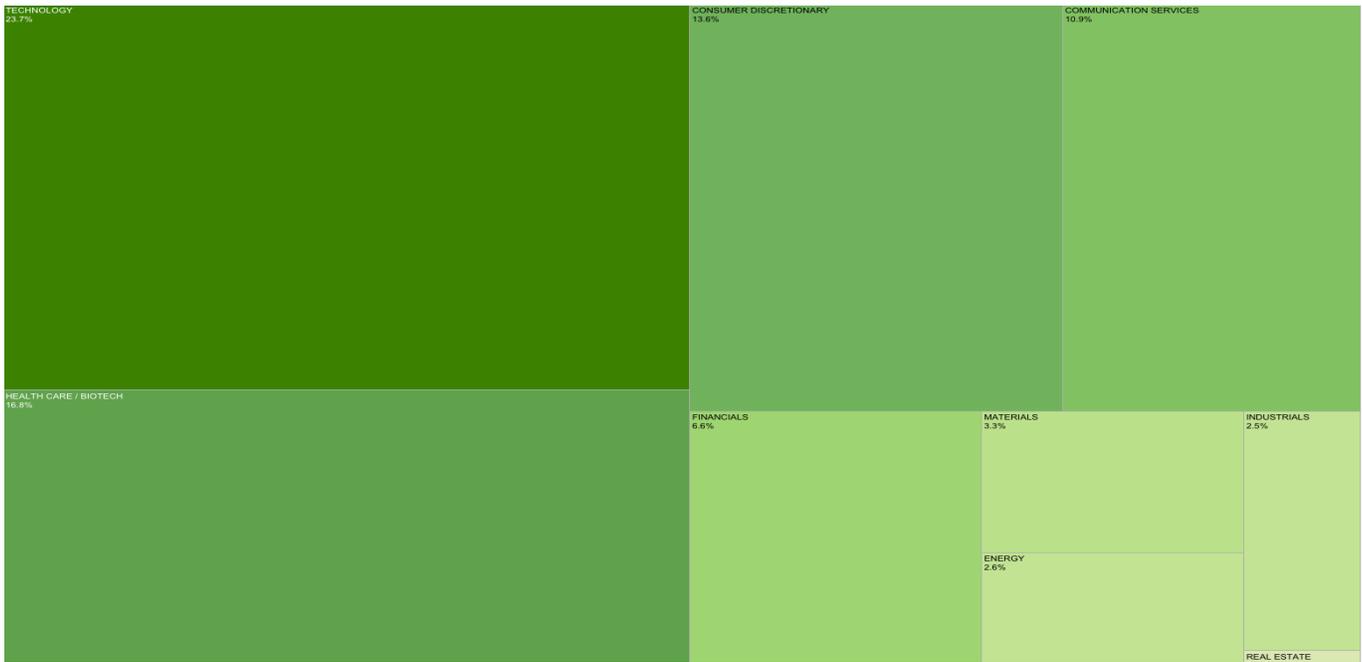
Can read more about PayPal here: [PayPal Q3 Earnings](#)

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 October 2021)

High Level allocation heat map and pie chart:

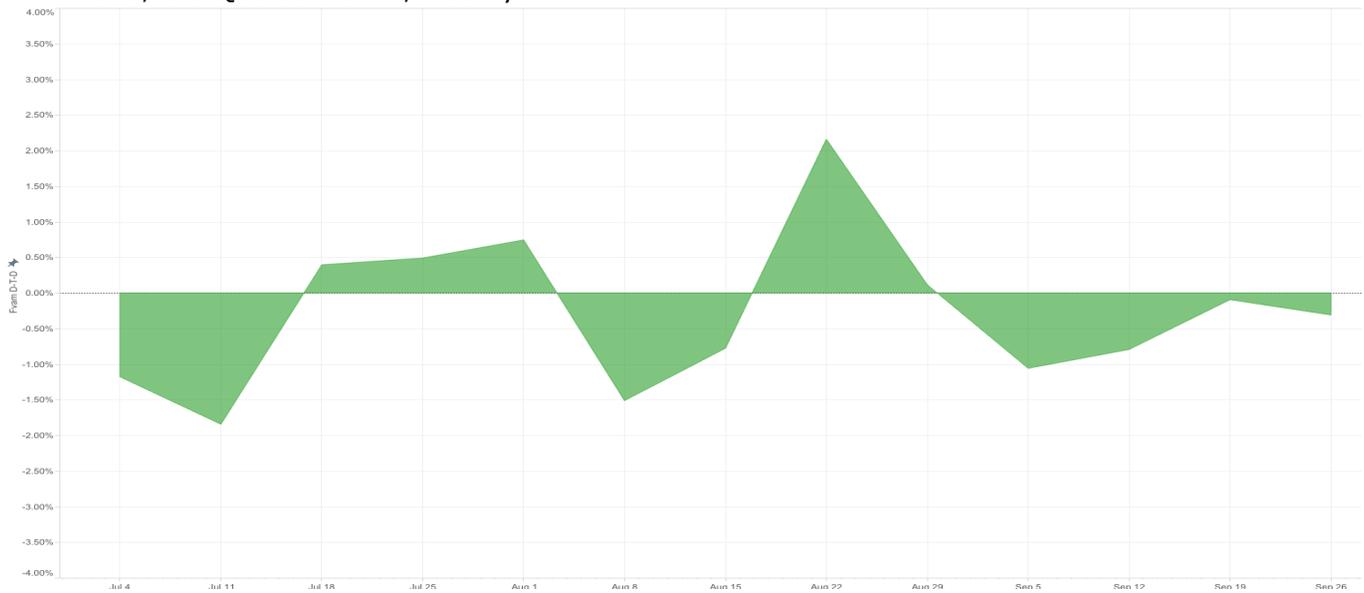


Below shows the further breakdown of only the fund's individual stock exposure. Currently, the heaviest focus of that exposure is allocated towards the Technology sector, as well as the Healthcare / Biotech sector

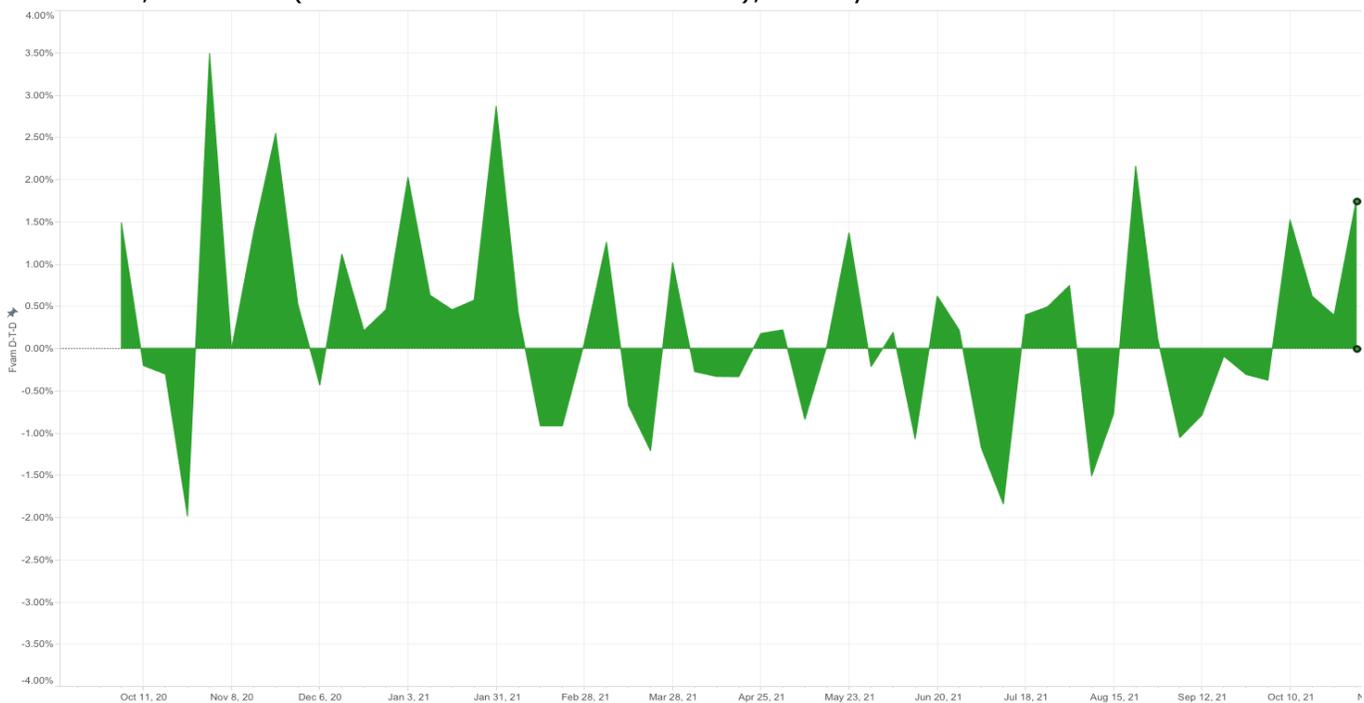


Performance Analysis: Analyzing the breakdown of the Fund's performance, as well as comparisons to other investment vehicles/index, such as the S&P 500, \$BRK-b (Warren Buffett's 'Berkshire Hathaway'), ACWX which tracks Global Markets minus the US (World x-US), and the Russell 2000 small cap index (\$IWM)

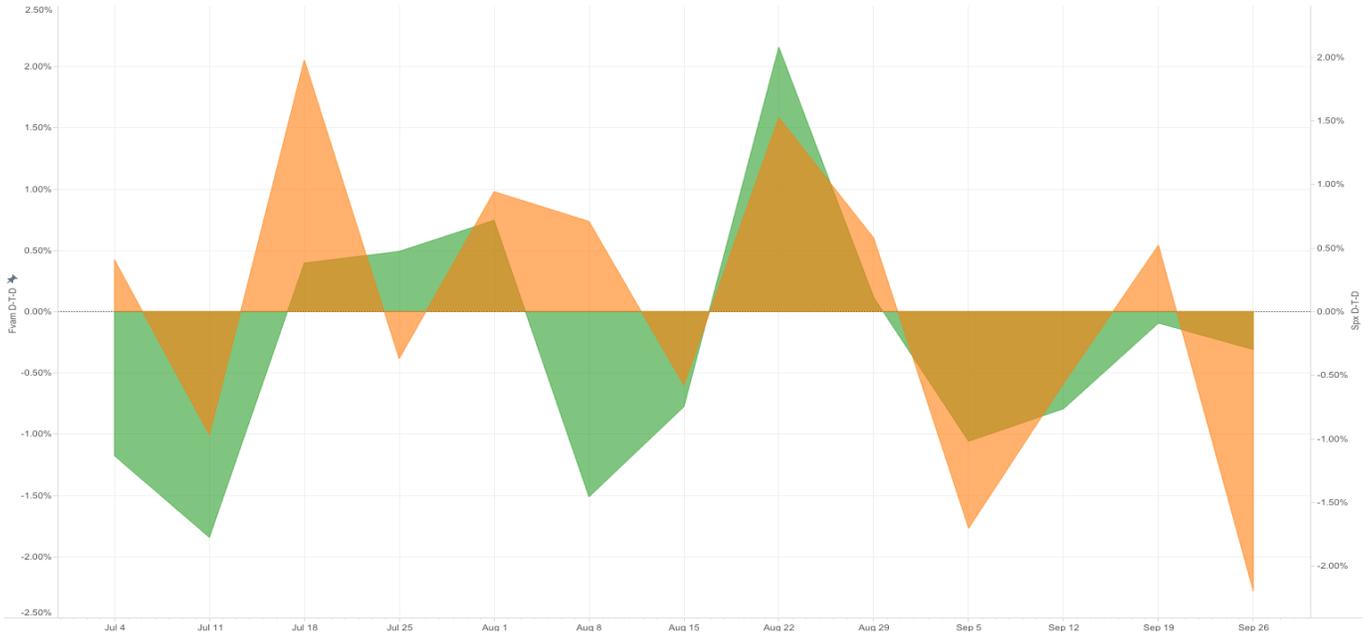
FVAM fund, 3rd Quarter 2021 , Weekly



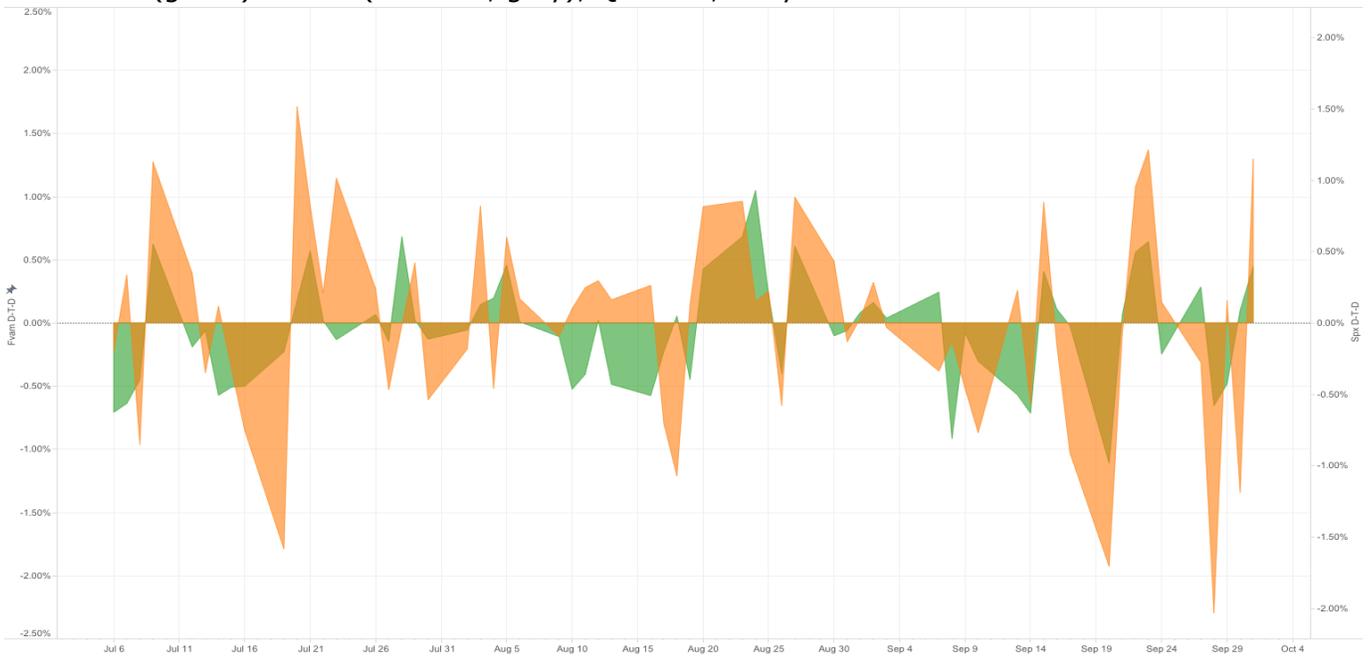
FVAM fund, One-Year (October 2020 thru October 2021), Weekly



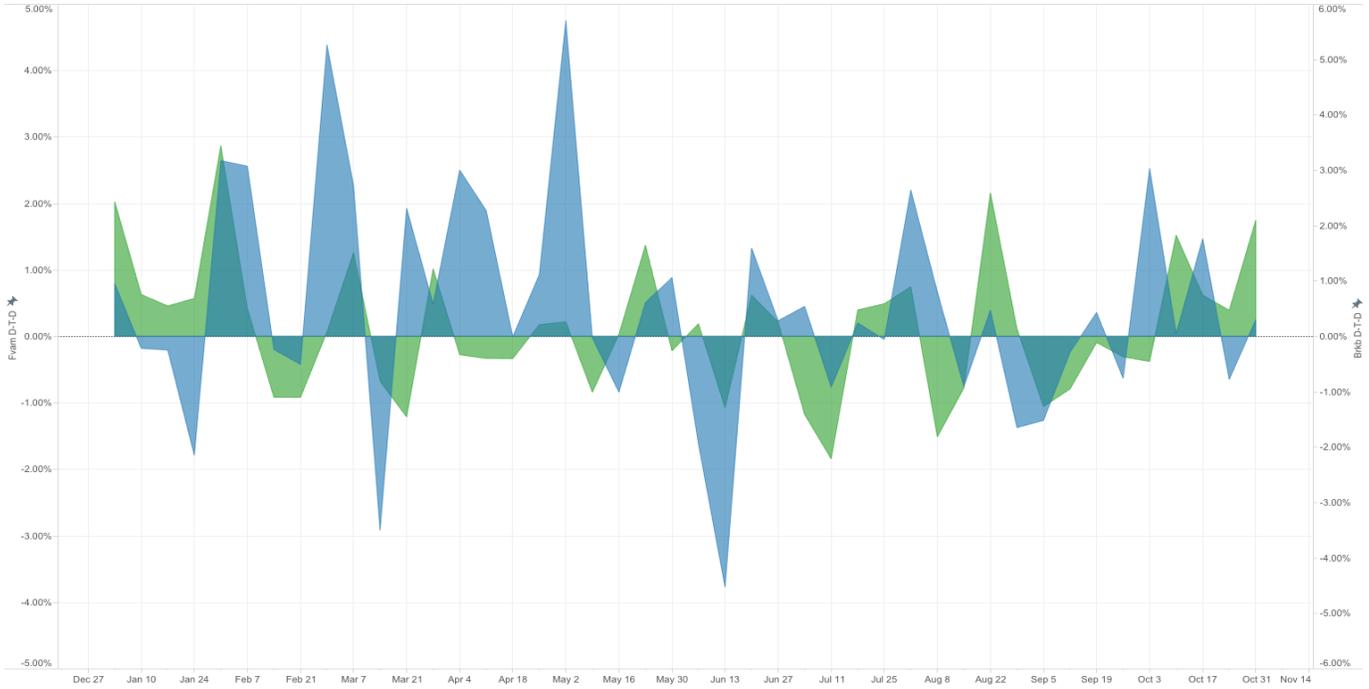
FVAM fund (green) vs SPX (S&P 500, orange), Q3 2021, weekly



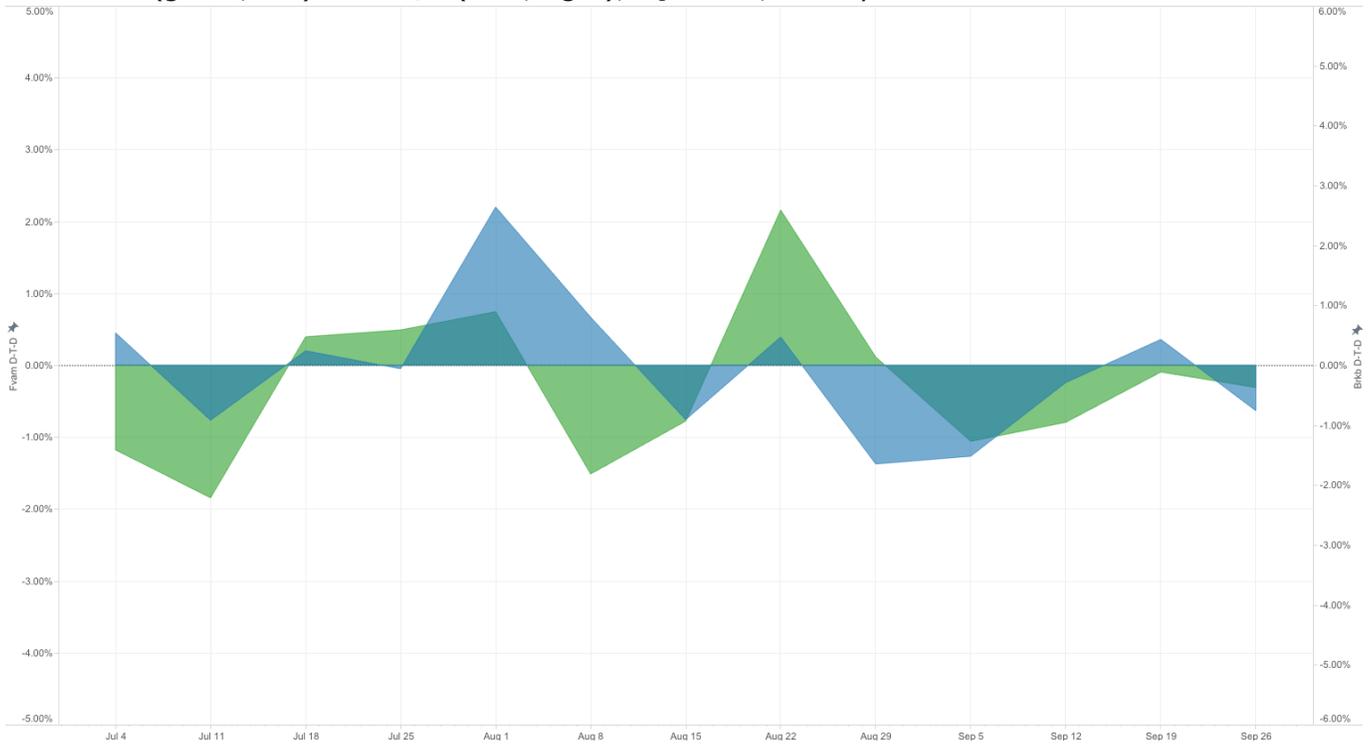
FVAM fund (green) vs SPX (S&P 500, gray), Q3 2021, Daily



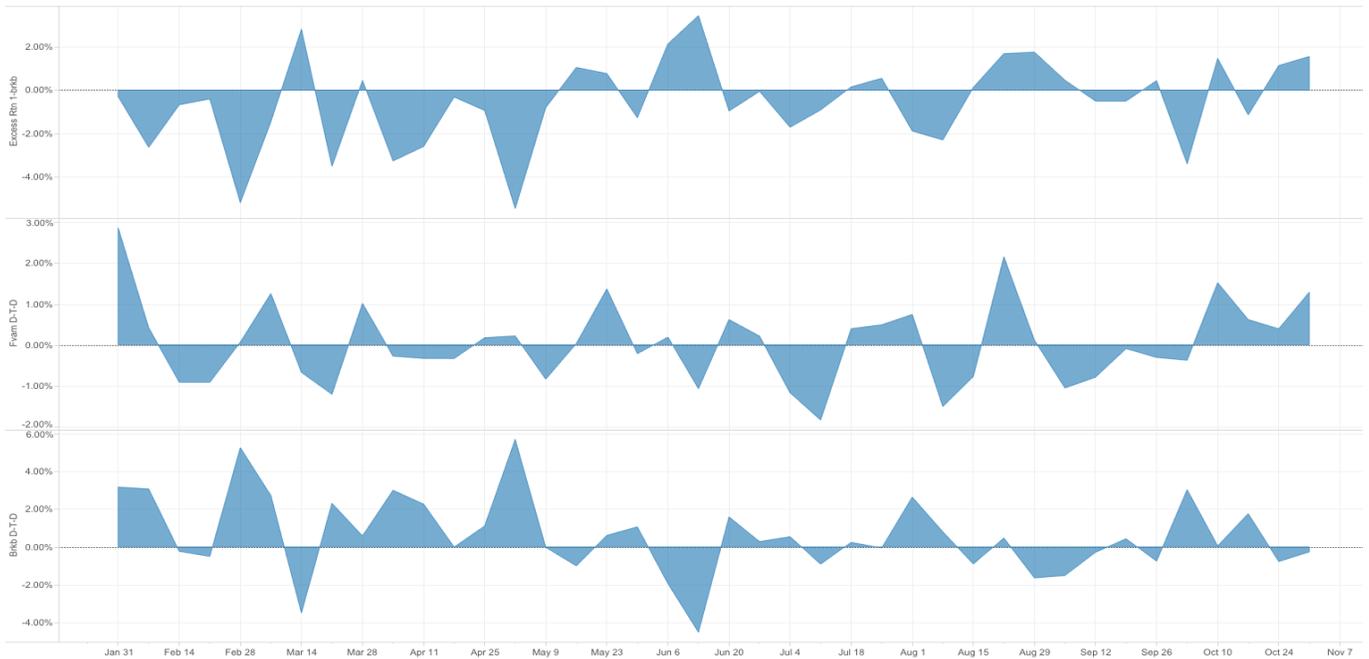
FVAM fund (green, left) vs BRK/b (blue, right), 2021 Full-Year (thru October), Weekly
 (\$BRK-B : Berkshire Hathaway B-shares)



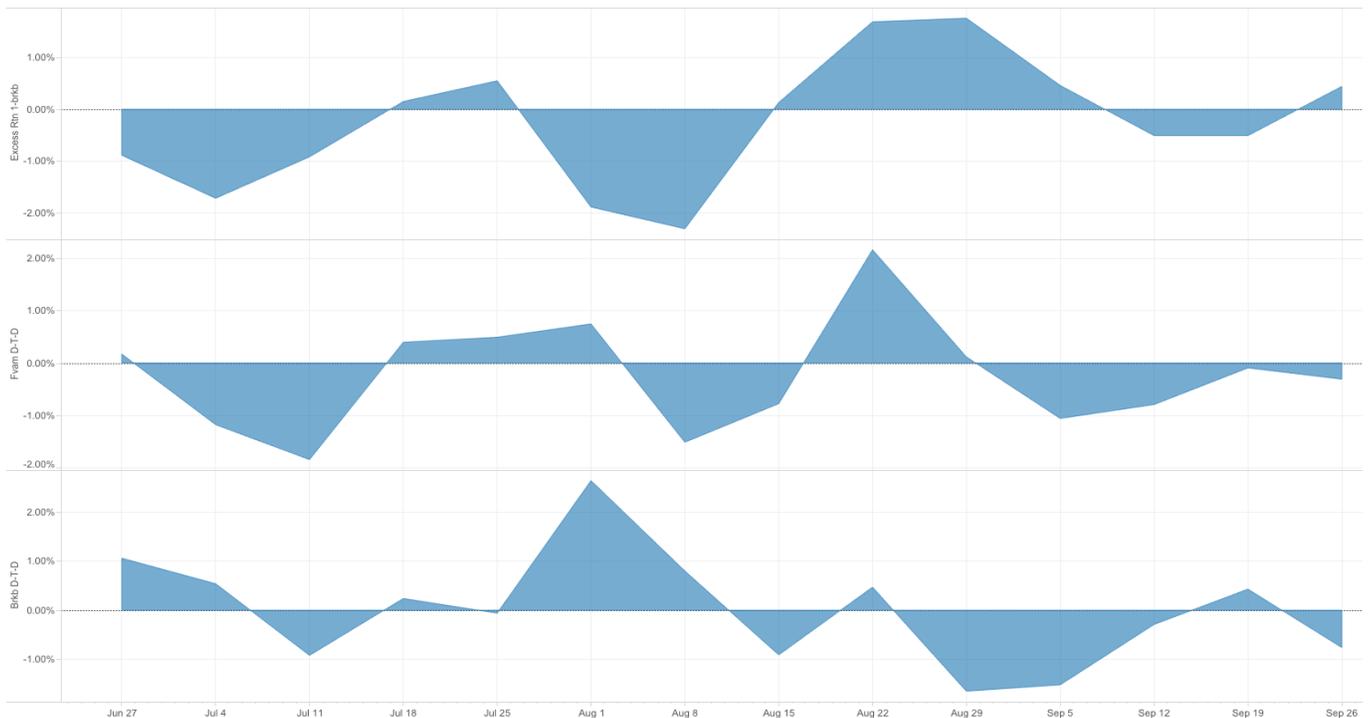
FVAM fund (green, left) vs BRK/b (blue, right), Q3 2021, Weekly



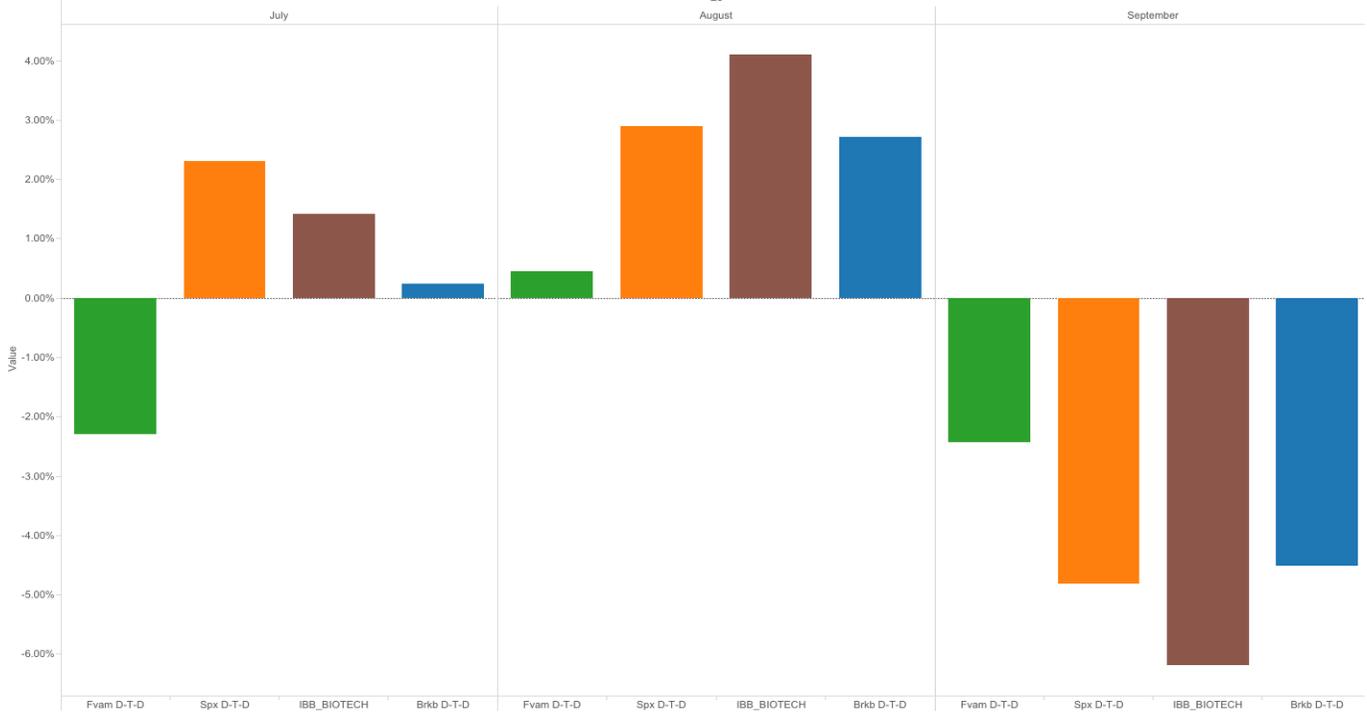
FVAM vs BRK/b and relative return (FVAM vs BRK/b), weekly, YTD thru Q3 2021
 (excess: positive = outperformance, negative = underperformance)



FVAM vs BRK/b and relative return (FVAM vs BRK/b), weekly, Q3 2021
 (excess, positive = outperformance, negative = underperformance)



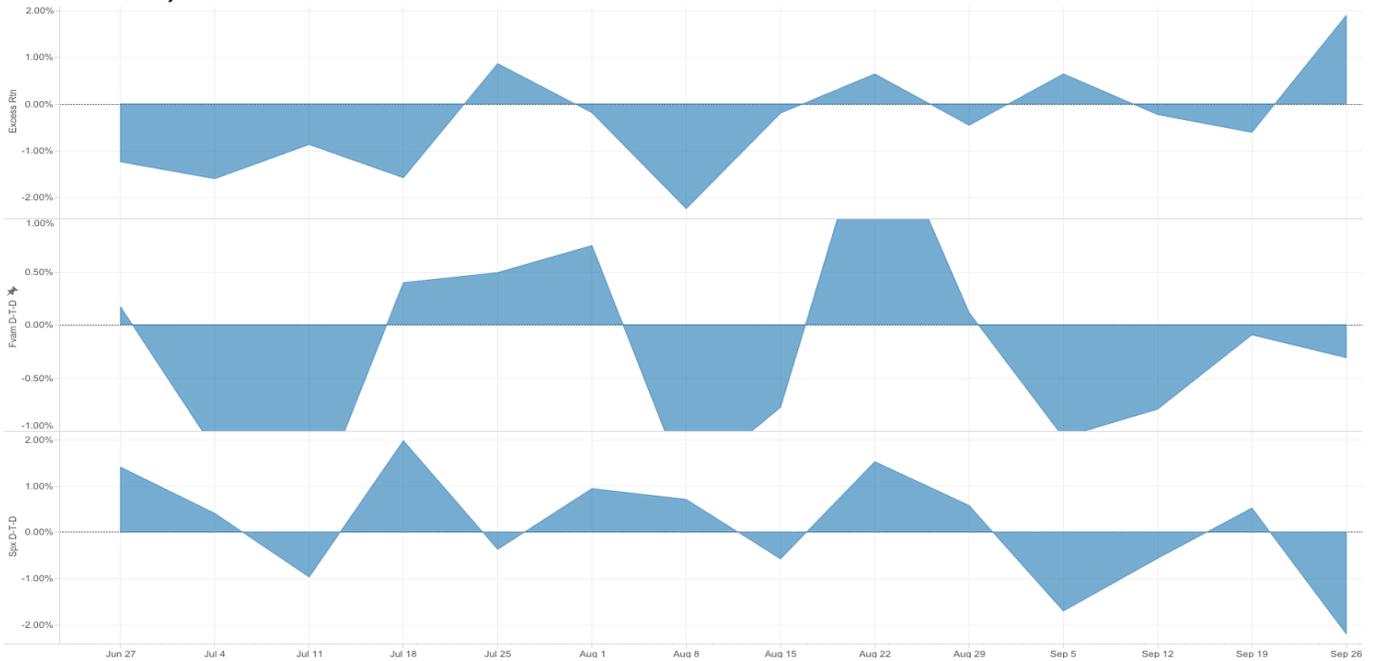
FVAM (Green) vs S&P500 vs IBB (BioTech Index Fund) vs BRK/b (Berkshire Hathaway) , 3rd Quarter - 2021



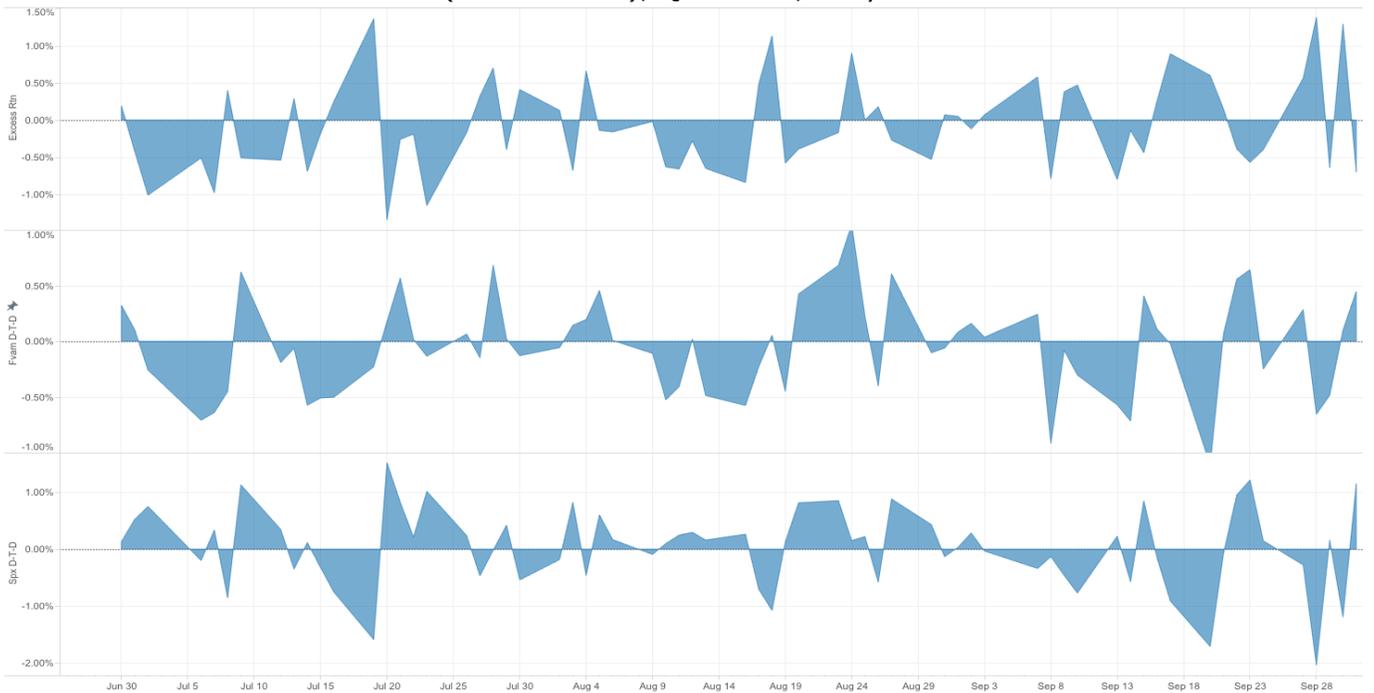
FVAM (green) vs S&P500 vs BRK/b (Berkshire Hathaway) vs ACWI (World Index) vs IBB (BioTech Index Fund) vs LQD (Bonds) vs EEM (Emerging Markets), Q3 - 2021



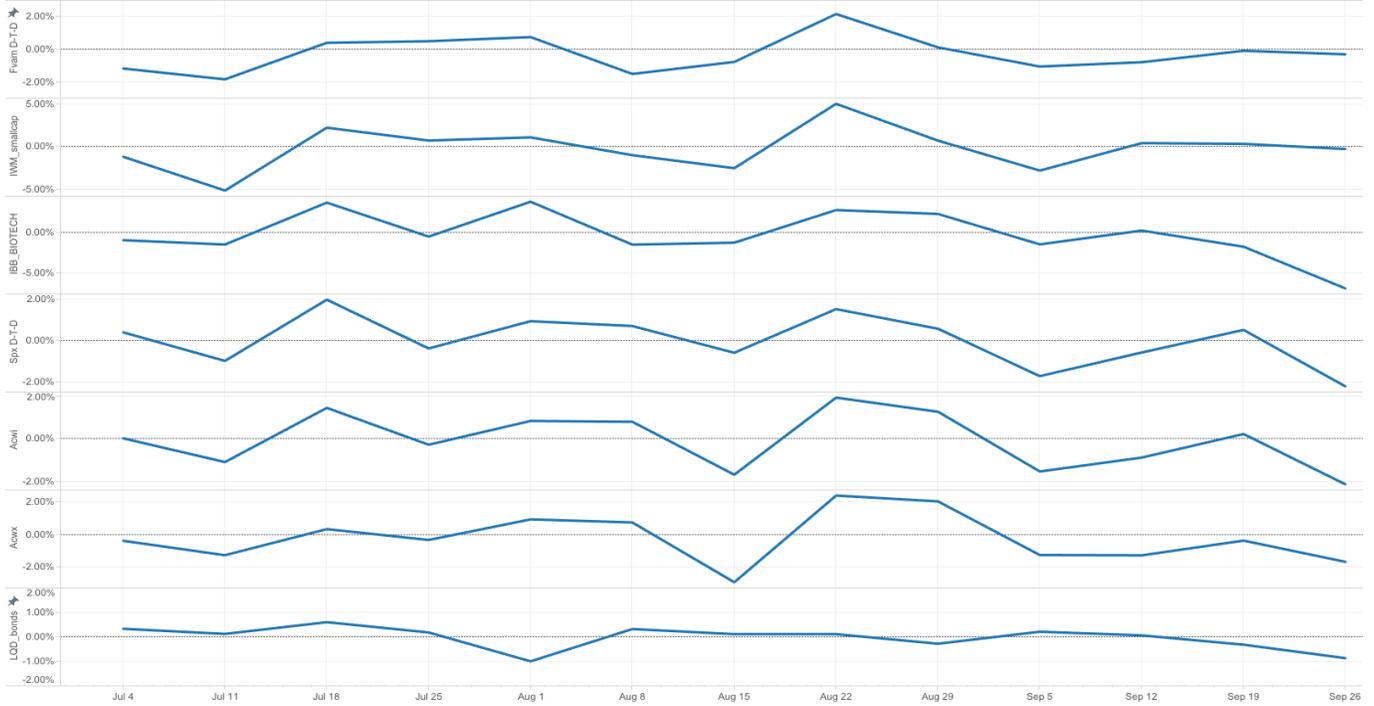
FVAM vs SPX and relative return (FVAM vs SPX), Q3 - 2021, weekly
 (*excess return shows FVAM vs SPX, shows by how much FVAM is outperforming or underperforming the S&P 500)



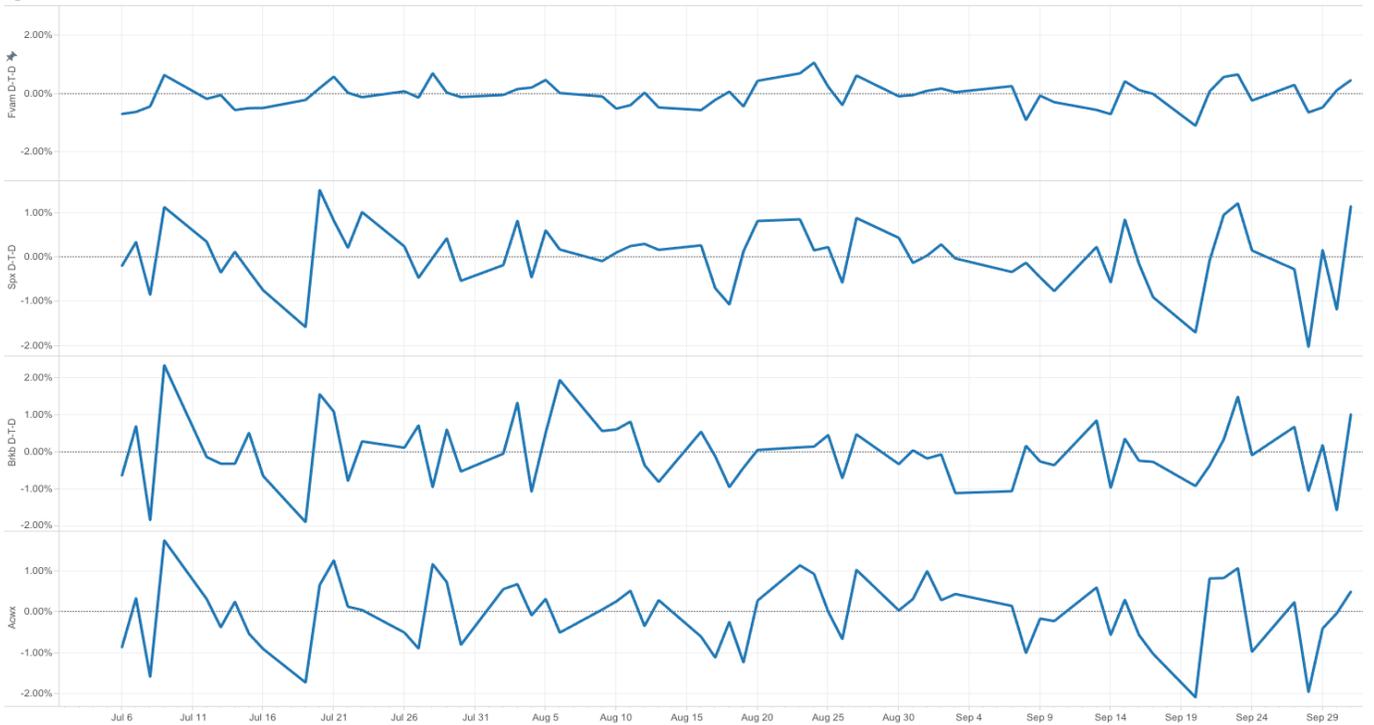
FVAM vs SPX and relative return (FVAM vs SPX), Q3 - 2021, Daily



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



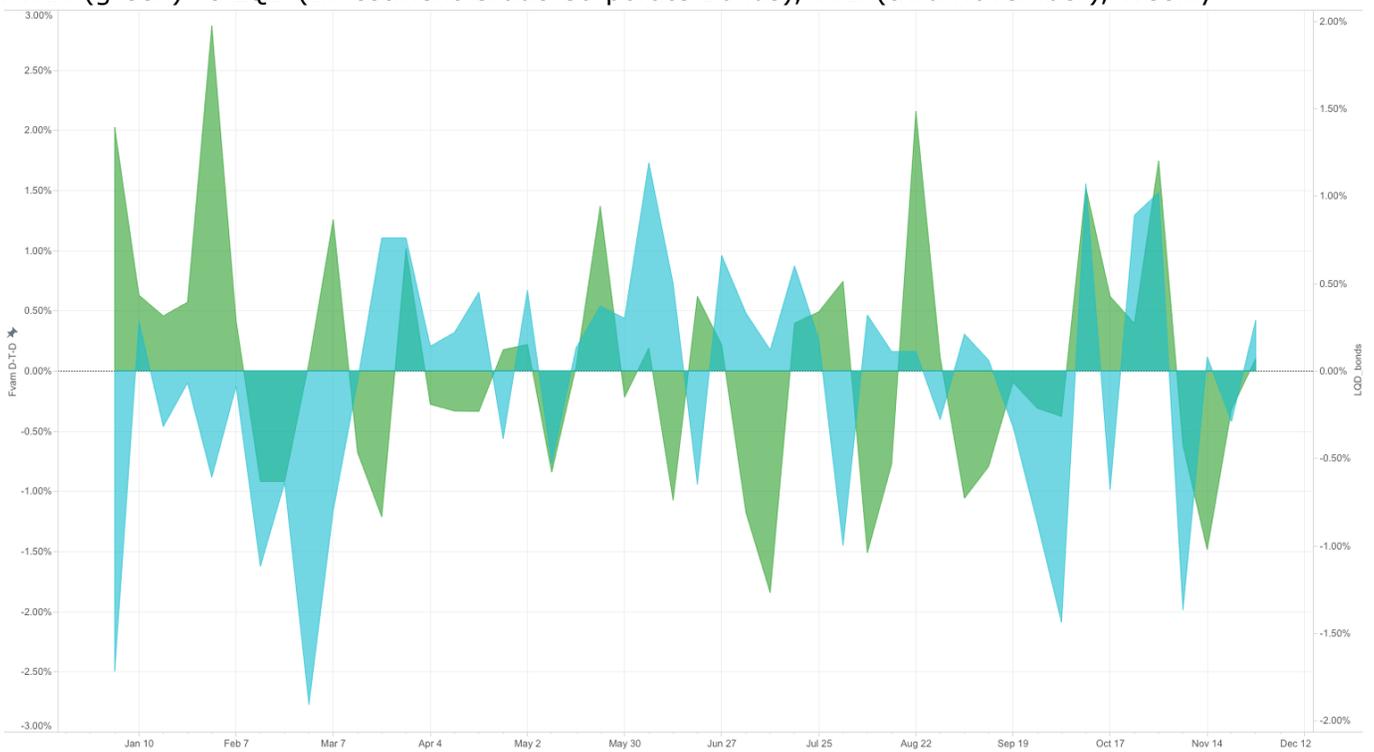
FVAM vs S&P 500 (\$SPX) vs Berkshire Hathaway (\$BRK/b) vs \$ACWX (World Index x-US), Weekly, Q3



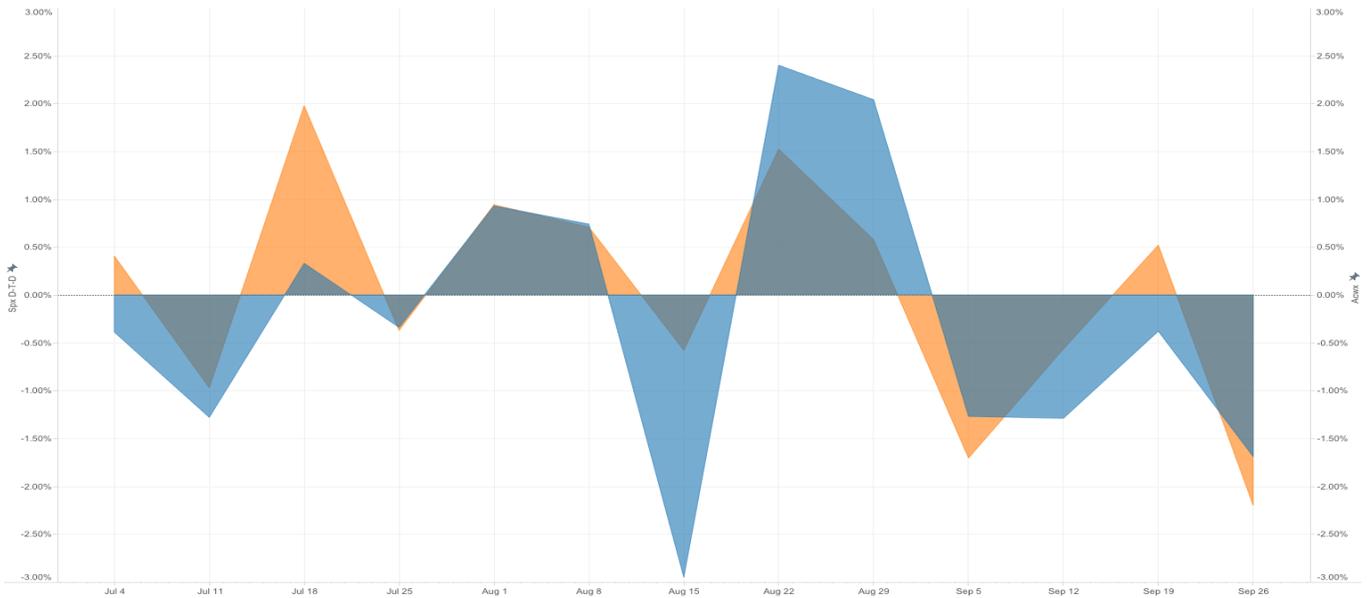
FVAM (green) vs EEM (Emerging Markets) , Year-to-Date (thru November), Weekly



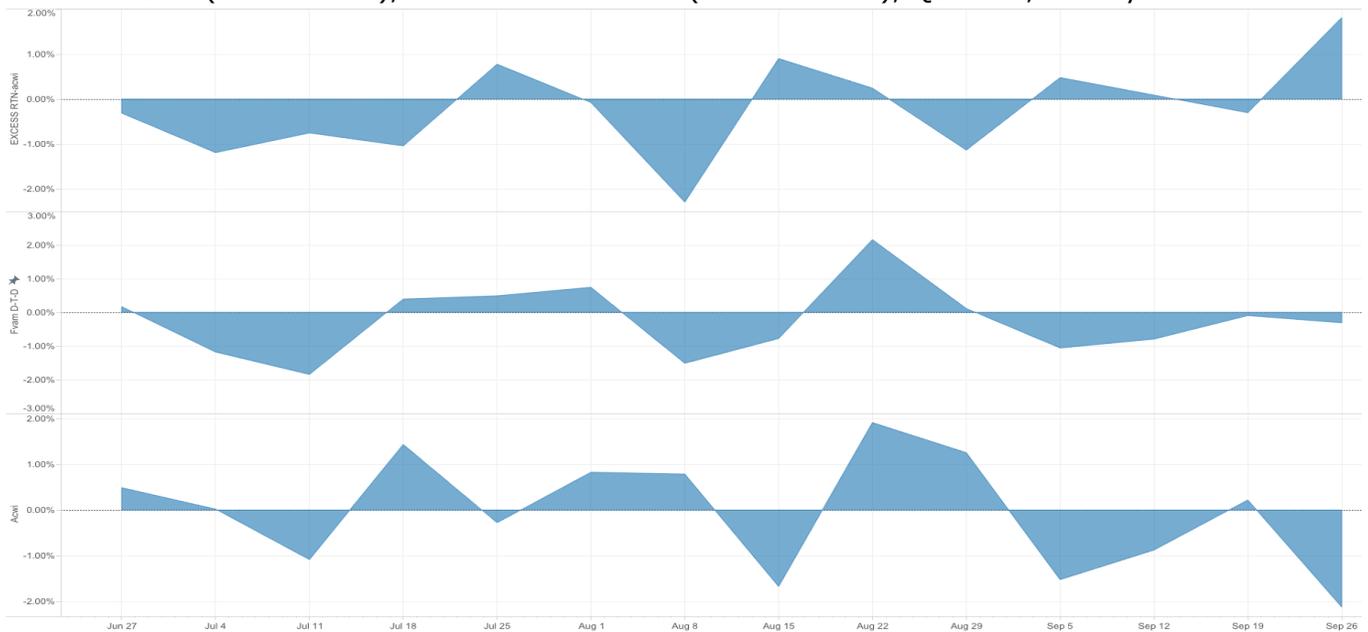
FVAM (green) vs LQD (Investment Grade Corporate Bonds), YTD (thru November), Weekly



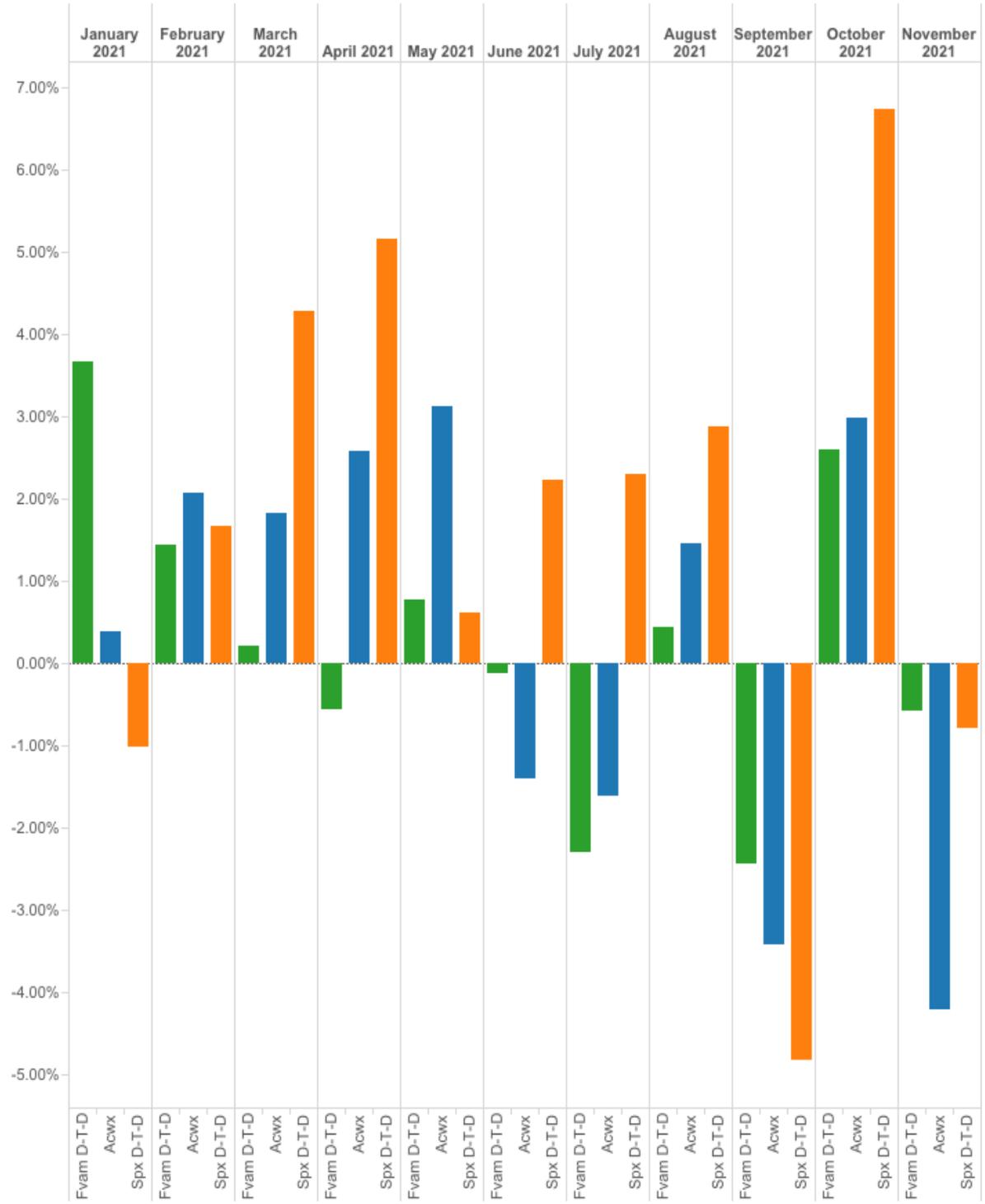
S&P 500 (orange) vs ACWX (World Index minus U.S.), Q3 2021, Weekly



FVAM vs ACWI (World Index), with Relative Return (excess return), Q3 2021, Weekly



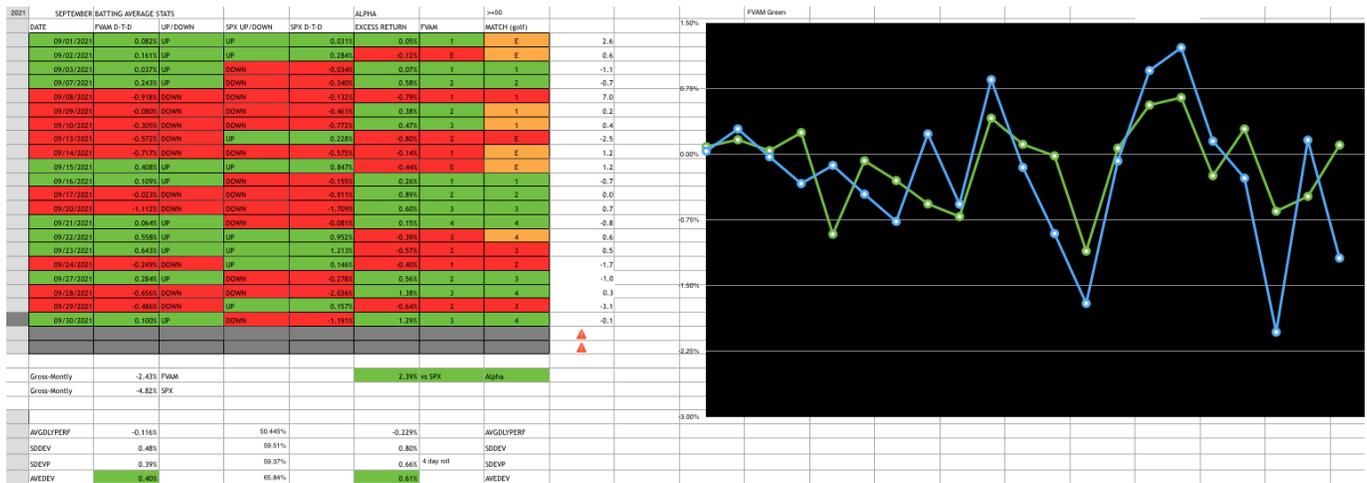
FVAM (green) vs ACWX (World Index minus USA, blue) vs S&P 500 (orange), Year-to-Date (thru November 2021), monthly returns



Reference 1: FVAM Fund Performance Stats (showing view of May 2021, FVAM vs SPX, Statistics)

The data below, displaying just September 2021 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 2021



*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 Large-Cap Technology/Growth Index, Technology sector, 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 Nov 2021)



