



YTD as of 6/30/2024

Alpha Portfolio -0.96%
Smart Yield -0.04%

MARKETS

DOW JONES 3.78%
S&P 500 14.50%
NASDAQ 100 16.99%
REIT INDEX -5.21%
SMALL CAP 1.09%
HIGH YIELD -0.32%

BOND YIELDS

10 YR TREAS 4.34%
YTD CHANGE 12.26%
30 YR TREAS 4.50%
YTD CHANGE 11.97%

SINCE INCEPTION

Through December 31, 2023
BROXTON 464.46%
S&P 500 447.04%
DOW JONES 438.42%



Kamala vs. Trump? What's Happening?

In a surprising turn of events, Vice President Kamala Harris has surged in the polls, now either leading or just trailing former President Donald Trump. According to Politico, "The polls are in and they point to a newly hyper-competitive race. Though polling showed Trump building a lead over President Joe Biden following their debate last month, that advantage has mostly evaporated against Harris since she became the all-but-certain Democratic nominee."



Harris's strong confidence and adherence to traditional campaign strategies, such as keeping her message simple, seem to be paying off. On the other hand, Trump's off-script style continues to appeal to his base. Trump has promised to end the Ukraine war in a single day, while Harris has vowed not to remain silent on Gaza.

The Ukraine war remains unresolved, with no clear objectives for either side. In Israel, the conflict is intensifying as more groups get involved, indicating a prolonged struggle.

The Magnificent Seven: Still Magnificent?

The so-called "Magnificent Seven" tech stocks, including Google, Microsoft, and Tesla, have taken significant hits following their earnings reports. Google dropped \$8, Tesla fell by \$34, and Microsoft lost \$27 before recovering. Growth concerns are affecting Google and Microsoft, while Tesla faces issues with lower margins and reduced car deliveries.



Loan Portfolios Update:

Yes, we continue to provide updates on publicly traded loan portfolios, maintaining our position as a market leader in analysis. Our coverage includes Blackstone Secured Lending (BXML), Mortgage Trust (BXMT), Apollo CRE (ARI), Ready Capital (RC), and Arbor (ABR). We offer accurate insights into the current state of the commercial mortgage market, supported by proprietary algorithms that forecast defaults, recoveries, and cash flows for each portfolio. Our detailed reports are available in our [library](#).

Ready Capital (RC): Ready Capital Corporation manages, owns, and originates commercial real estate loans, SBA loans, and construction loans, with a \$10.3 billion portfolio as of March 31, 2024. The current book value of common shares is \$13.44, while the shares are trading slightly above \$9, reflecting portfolio challenges. As of March, 9.9% of the portfolio is over 60 days past due, up from 9.5% in December. We forecast a 20% default rate for the entire Ready portfolio with an initial recovery rate estimate of 71%. We are starting the shares with a hold rating and a \$9 target until we see stabilization and improvement in the portfolio. [>> \[Read the Full Report\]](#)

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 Broxton Strategies do contain dividends and fees. 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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