

December 2020

		Fund			S&P500 Index	
		<i>Performance</i>	<i>Inception to Date</i>		<i>Performance</i>	<i>Inception to Date</i>
2005		+14.01%	+14.01%		+4.78%	+4.78%
2006		+16.91%	+33.29%		+13.62%	+19.05%
2007		+4.06%	+38.70%		+3.53%	+23.25%
2008		-47.99%	-27.86%		-38.49%	-24.18%
2009		+42.74%	+2.97%		+23.45%	-6.40%
2010		+24.94%	+28.65%		+12.78%	+5.57%
2011		+1.79%	+30.96%		0.00%	+5.56%
2012		+24.17%	+62.61%		+13.41%	+19.71%
2013		+42.96%	+132.46%		+29.60%	+55.15%
2014		+3.92%	+141.59%		+11.39%	+72.82%
2015		-2.10%	+136.51%		-0.73%	+71.56%
2016		+31.95%	+212.07%		+9.54%	+87.93%

	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>
2017		+13.43%	+254.00%		+19.42%	+124.42%
2018		-20.44%	+181.65%		-6.24%	+110.42%
2019		+27.60%	+259.39%		+28.88%	+171.19%
Jan 2020	-4.77%	-4.77%	+242.23%	-0.16%	-0.16%	+170.75%
Feb 2020	-8.52%	-12.89%	+213.08%	-8.41%	-8.56%	+147.98%
Mar 2020	-24.39%	-34.13%	+136.73%	-12.51%	-20.00%	+116.95%
Apr 2020	+16.30%	-23.39%	+175.32%	+12.68%	-9.85%	+144.47%
May 2020	+6.37%	-18.51%	+192.87%	+4.53%	-5.77%	+155.54%
June 2020	+6.86%	-12.92%	+212.96%	+1.84%	-4.04%	+160.24%
July 2020	+1.60%	-11.53%	+217.97%	+5.51%	+1.25%	+174.58%
Aug 2020	+5.60%	-6.57%	+235.79%	+7.01%	+8.34%	+193.82%
Sep 2020	-2.28%	-8.70%	+228.14%	-3.89%	+4.09%	+182.29%
Oct 2020	+3.65%	-5.36%	+240.12%	-2.77%	+1.21%	+174.48%
Nov 2020	+14.78%	+8.62%	+290.38%	+10.75%	+12.10%	+204.00%
Dec 2020	+6.94%	+16.17%	+317.49%	+3.71%	+16.26%	+215.28%

In December the Fund rose by 6.94% while the S&P500 rose by 3.71%. Sterling units rose just 4.26% as sterling appreciated from \$1.333 to \$1.367 in the month. For 2020, the fund rose by 16.17% and the S&P500 rose by 16.26%. For sterling units the rise was just 12.51% as sterling appreciated from \$1.320 to \$1.367 in the year. These numbers mask a wildly different performance between groups of stocks, the like of which we haven't seen before. Exxon started the year at 4x the cap of Tesla and finished at one quarter of its cap.

December saw a continuation of the recovery phase which started with the Pfizer vaccine announcement on November 9th. Smaller indices did better and we were closely aligned with them. We also had our own quiet riot in our little corner of the market. Playing the Great Outdoors theme, we bought Horizon Global (towbars) in June at \$1.7 and it hit \$9 this month. Playing 'Focus on Home', we bought Kirklands (John Lewis type) at \$2.9 in July and it hit \$21 this month. These five and seven baggers only added 2% to the Fund as we took small positions and averaged up just a few times.

In December Johnson Outdoors, which is important to us, finally surged to a new high on earnings, having drifted sideways for the previous six months. We also added the obscure Escalade last summer. This is the only other paddle board play so at least we have got the market cornered in this isolated and green pursuit. We will hold on to these two but the trick for 2021 is repositioning to the New World.

In 2020, after being flattened by the sudden halt, we came back strongly after quickly imagining the themes of lockdown. Going forward we need to judge the stickability of each theme and the degree to which old life re-emerges. To this effect, we bought a 2% holding of Sally Beauty and 1.3% of Build a Bear in December. The former, a cosmetics chain, is a 'Roaring 20s' play and the latter is a 'Nostalgia and Experiential' play. Before Covid, both these companies seemed out for the count. The Bears in particular have been falling for six years, losing 80% of their value, and are so low we got 1% of the company for our investment. However, the subtle changes in personal aspirations we're now seeing has them both better positioned for the blue skies yonder.

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