Oct 2022		Fund			S&P500 Index	
		Performance	*Inception to Date*		*Performance*	*Inception to Date*
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%**

	MTD	YTD	ITD	MTD	YTD	ITD
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%**
2020		**+16.17%**	**+317.49%**		**+16.26%**	**+215.28%**
2021		**+35.18%**	**+464.37%**		**+26.89%**	**+300.07%**
Jan 2022	**-4.55%**	**-4.55%**	**+438.69%**	**-5.26%**	**-5.26%**	**+279.03%**
Feb 2022	**+1.94%**	**-2.70%**	**+449.13%**	**-3.14%**	**-8.23%**	**+267.15%**
Mar 2022	**-0.47%**	**-3.16%**	**+446.56%**	**+3.58%**	**-4.95%**	**+280.28%**
Apr 2022	**-5.54%**	**-8.53%**	**+416.23%**	**-8.80%**	**-13.31%**	**+246.83%**
May 2022	**+1.33%**	**-7.32%**	**+423.10%**	**+0.01%**	**-13.30%**	**+246.85%**
Jun 2022	**-11.82%**	**-18.27%**	**+361.24%**	**-8.39%**	**-20.58%**	**+217.74%**
Jul 2022	**+7.74%**	**-11.94%**	**+396.96%**	**+9.11%**	**-13.34%**	**+246.70%**
Aug 2022	**+0.29%**	**-11.69%**	**+398.41%**	**-4.24%**	**-17.02%**	**+231.98%**
Sep 2022	**-10.50%**	**-20.96%**	**+346.07%**	**-9.34%**	**-24.77%**	**+200.98%**
Oct 2022	**+11.75%**	**-11.67%**	**+398.48%**	**+7.99%**	**-18.76%**	**+225.01%**

In October the Fund rose by 11.75% and the S&P500 rose by 7.99%. Sterling holders rose just 8.34% as sterling rose from $1.120 to $1.155. Firstly, congratulations to all investors who managed not to sell at the end of September. It would have been the easiest thing: we held up so long and then seemed to crack, yet throughout the Fund continued to have net inflows with very few redemptions. From a spike down in September to a tweezer bottom with mild bullish engulfing by end-October! We did note last month that the ingredients of capitulation were present, with no sector to hide in and very pessimistic sentiment. These conditions enabled the October rally, despite bleak news and bonds continuing down, with the 10-year yield rising through 4% by month-end. However, this bounce back was not at all symmetric, with the strongest pivot to value of the year. The NASDAQ 100 was up just 4.0% versus +11.3% for the ETF of the value component of the S&P 500.

We were positioned quite well, with our two most overweight sectors, energy and finance, being the best performing sectors of the month. We were held up by smaller gains in consumer durables, which are waiting for a peak in interest rates; although there was occasional strength, such as in Build-A-Bear which was up 32% on the month for no obvious reason. I think so many durables are too cheap to sell and when they break down on news, they tend to bounce.

Three of the original FANGs: Facebook (Meta), Amazon and Google were down on the month and made 81-month, 30-month and 21-month lows respectively. This brought headlines such as 'Is Exxon the new FANG?' and it feels there is a sea-change starting in consensus thinking. This rally was so different from the summer bear market rally which saw the NASDAQ 100 up 23% as the market reprised the old model of growth and deflation. This time new leadership came on and we saw a few new all-time highs in our stocks, not just in energy but also in surprising places, like Northrim our Alaskan community bank and Valmont, an industrial. The relative strength within energy moved to oil service, acknowledging drilling postponed is not drilling cancelled and this sector is also showing new leadership.

Bear markets throw out information and this pivot to value and to smaller stocks does have all the ingredients of a real turn: capitulation followed by new leadership in groups previously flagged to do well. However, while this may be a glimpse of the future, the evolved bear time of only10 months and the volatile news background means we should still expect wobbles ahead. Nevertheless, we moved to fully invested at the start of October and are staying that way. We are now at our best relative performance of the year and it feels we are still in the zone as our stocks have been rising on third quarter earnings while growth stocks are punished, as their era of free spending with free money slips into history.