



TRIUMPH

ASSET MANAGEMENT

Ready for Anything

October was a great month with one bad day. Unfortunately, that day was October 31. **For the month, we ended +0.20%, well ahead of the SP500 Index that was down -1.0%.** We are pleased with our outperformance and attribute it to strong quarterly reports released by our portfolio holdings.

During October, many of our portfolio companies reported their quarterly earnings reports. **I would rate Apple and Berkshire's as ok while Amazon, Google, Microsoft, Meta, and Mastercard were outstanding** (note that our Apple and Berkshire weights are considerably lower than the others listed above). While some Market pundits voiced concerns over enormous AI spending, we do not concur. In our opinion, each is experiencing tremendous growth that is affording them the ability to invest in the future—at a scale that no others can, using their free cash flows. **In the not-too-distant future, this investment will expand gross margins and increase the rate of revenue acceleration, resulting in dramatically higher earnings.**

With the Presidential election occurring tonight, I thought I would expedite this update (we don't have our exact numbers from our fund accountants) and explain our positioning. We have no view as to who is going to win or what will happen thereafter—election prognostication is not in our skillset. **What is within our abilities is to hedge so that significant loss is avoided.** To accomplish this, we have purchased S&P500 and Nasdaq100 puts that protect our downside. **This is a preferred strategy to “lightening up” as we decrease our overall exposure while avoiding the tax consequences from selling.**

We remind you that our Fund should not be compared with a diversified long-only Fund or an Index Fund. Unlike those products, we hedge, use options, hold cash and always concentrate our positions. **Over time, we expect to outperform the Market, but that does not mean we will do so all the time!** We thank you for your continued support, believe our holdings have tremendous upside, look forward to next month's communication and are glad that you can enjoy the election knowing that your money is safe no matter the outcome.

Steven Tuchner
Founder & CIO