



TRIUMPH

ASSET MANAGEMENT

Encierro

Encierro, known as “the running of the bulls,” is a famous tradition closely associated with the San Fermin festival in Spain. It serves as an apt metaphor for today’s market: a period of visible tension and building pressure before momentum finally breaks through. While volatility and fear have pushed many investors to the sidelines, we view this as a period of anticipation and opportunity, not retreat.

The Fund ended November down small and remains up nearly 11% YTD. After a difficult start to the month, the portfolio demonstrated resilience against broader Market weakness. As outlined in our October letter, we positioned ourselves defensively and ***successfully monetized our put options at a substantial profit.*** This defensive maneuvering, coupled with exceptional performance from Alphabet (Google), helped offset pullbacks in NVIDIA, Amazon, and Microsoft, all of which were down more than 5% in November.

Despite headlines dominated by “AI bubble” fears, the underlying math suggests a different reality. Excluding Apple and Google, all our core holdings now trade at ***25x or less*** on 2026 earnings, with the Fund average now approaching ***a record low 21x.*** ***We believe this represents a rare valuation entry point for companies possessing such durable growth and market dominance.***

Google’s recent ascent is a powerful reminder that quality often compounds beneath the surface before suddenly re-rating. ***After nearly four years of improved fundamentals accompanied by a flat stock price, Google’s stock price quickly doubled over the past 6 months!*** We believe our holdings, especially Amazon, stand at a similar inflection point. The company’s fundamentals are strengthening even as the Market remains slow to recognize the improvement. ***Amazon’s stock is up only 3% this year and 20% over the past 5 years, despite Revenue doubling, EBITDA tripling and Earnings quadrupling over this same period.*** Amazon now trades at an all-time-low P/E of 23x based on 2026E EPS. It is our largest position with a target of \$400, representing nearly a double from current levels.

Much like the participants of Encierro, our goal is to run in front of the bulls. By focusing on fundamentals rather than noise, we see intrinsic value strengthening even as prices fluctuate. We remain committed on owning high-quality, profitable companies at reasonable valuations, positioning ourselves to stay ahead of the pack when the momentum shifts.

We thank you for your continued support, remain highly ‘bullish’ on our portfolio and look forward to next month’s communication.

Your Corredor,

Steven Tuchner
Founder & CIO