



# Portfolio Setting and Management

Komodo Management



# What do we do?

- We are YOUR personalized fund manager who runs YOUR portfolio based on YOUR risk and return profile
- We clean up existing portfolios and set them for the long term and create new portfolios if you don't have one
- We offer entire portfolio setting, including fixed income and equities as well as funds
- We also offer equity only portfolio setting
- All with a long-term outlook!





# Investment Scope



Industry/Sector Focus:  
Agnostic



Marketcap Size:  
Agnostic, large cap bias



Geographic Focus: US  
and India (combined  
and individual)



Time Horizon: 3-5 years  
and beyond



Strategy: Long-only



# Our Goal

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With your portfolio our goal is to provide better returns than the markets and lose less than the market all while making you a stable income stream from a long only approach.



# How?

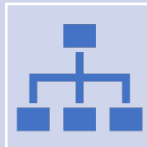
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- Step 1: We understand your needs through creating a risk/return profile
- Step2: We decide your sectorial preferences as well as provide our input in which ones work for your profile
- Step3: We use our expertise and our systems in place to find the best firms and create the best allocation to form your market beating long term portfolio



# Risk Management

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Running a long only strategy, our risk management comes from the businesses we pick and the allocations we give them through our position sizing and the limits we put there



Additionally, we use our proprietary E.P.A.R.C.S system to manage the risk as well as run stress tests constantly on the portfolio, keeping a watchful eye



# Results

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- We use our **Building Value To Last (VTL)** thesis to employ a concentrated diverse investment strategy with a long-term outlook of 3-5 years
- This is a passively active managed strategy with an opportunistic lens, to take advantage of undervalued opportunities we see
- We have returned **129.70%** since inception with a **37%** annualized return. The market (S&P500, NASDAQ, MSCIACWI) during this time on average returned 52% with a 10% - 12% annualized return



# Returns Summary

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020	--	--	--	--	--	--	--	--	--	-10.6%	16.2%	11.4%	17.00%
2021	1.0%	-2.4%	5.7%	6.85%	3.0%	4.2%	2.4%	-1.5%	-4.6%	7.11%	-0.7%	-1.3%	20.95%
2022	-8.9%	2.43%	7.9%	-17.9%	3.8%	-2.8%	2.4%	-0.8%	-9.2%	8.2%	7.0%	-9.7%	-18.57%
2023	23.75%	-6.1%	11.49%	2.95%	11.65%	7.57%	7.67%	2.91%	-5.8%	-6.22%	18.5%	2.35%	70.70%
2024	5.74%	11.8%	6.50%	-9.01%	13.78%	10.81%							39.62%

\*\*average returns for all accounts under management, individual account returns vary, higher and lower.

**ITD 129.70%**





# Comparison Summary

	YTD (JUN'24)	2023	3 YRS	ITD (OCT'20)
<b>BKI Komodo Management Average</b>	<b>39.62%</b>	<b>70.70%</b>	<b>90.08%</b>	<b>129.70%</b>
S&P 500	15.13%	20.59%	26.21%	56.74%
NASDAQ	20.09%	37.42%	23.79%	51.93%
Hedge Fund Average Index	5.66%	8.69%	15.32%	27.34%



# Building Value to Last

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## Fundamental Analysis:

We look for firms that have the largest lasting impact within their sectors and we understand those businesses

Those that are ushering change and we use our **POP** principle to take a **P**iece **O**f the **P**ie of that change.

Our investment horizon is looking for businesses which will at minimum hold and grow value for 10+ years



## Financial Analysis:

We then look to see if the financials back up the story and the valuation, they create using our proprietary valuation methods

We use our valuation methods to uncover the intrinsic value of the firm



## Technical Analysis:

Finally, we use the technical indicators to assess the price action, whether it is inline with its valuation, undervalued or overvalued

Additionally, we look for the dislocations between the extrinsic market pricing and the intrinsic value of the firms



## Position Building:

We then build your positions over time using the pareto investing method to carefully build up positions in the firms we have chosen, taking advantage of opportunities and dislocations along the way.

We are not 100% invested into the markets at all times



# SEP Investing Using the Pareto Principle

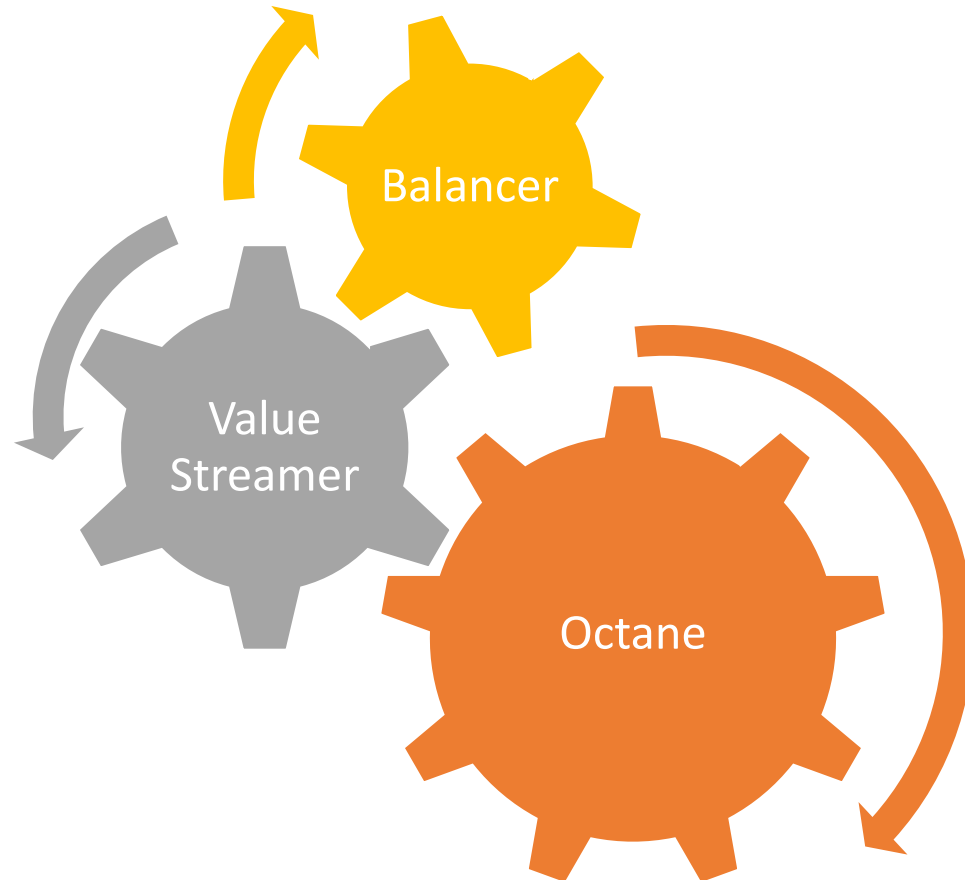
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- SEP – Simple Efficient Portfolio
- Pareto Principle is the principle that to make the most efficient engines, organizations and any system really, cut the fat and focus on the meat of the system, what really makes it run, the minority fundamental components have the most impact on the system.
- We have applied that in our Simple Efficient Portfolio where we use a bucketed investment approach



# An Integrated Value Engine

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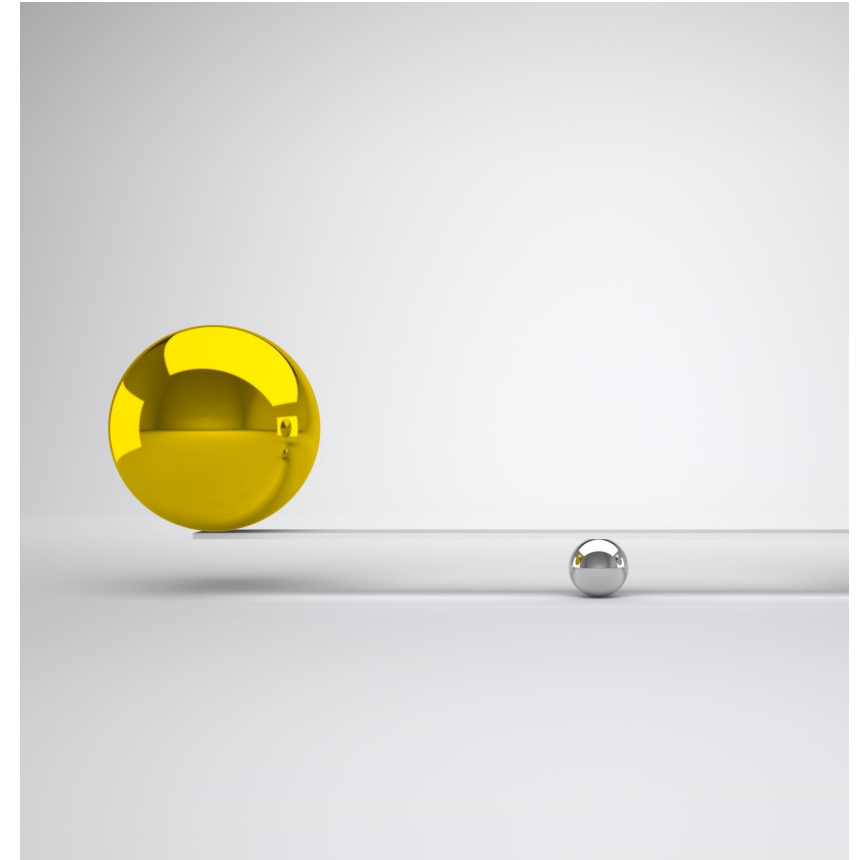
We use a tri-bucketed approach to allocate capital through pareto investing to build a value creating engine, which takes time and capital as an input factor, fuel, and converts it into value and growth



# SEP Like Any Simple Machine

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- A Lever – It has a beam and a fulcrum (central point of balance/lever)
- In the SEP Portfolio there are three buckets to form the same:
  - **Octane**
  - **Balancer**
  - **Value Streamer**
- The correlations between the Octane and the Value Streamer firms are opposites to cancel out the intra-portfolio correlations
- Where when the market is falling, the Value Streamer firms keep the portfolio inline, protecting the downside
- When the market is rising the Octane firms boost the portfolio beyond the market
- The Balancer firms act as neutralizers between the two, keeping the balance afloat





# Who do we go through?

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- We use our existing platform: **Interactive Brokers** and **Charles Schwab**
- Here we can make accounts which are banked in **Chase Bank**
- Or act as an investment advisor/manager for your existing wealth accounts
- We have discretionary access to both kinds of accounts, whether they are in banks or on the broker platforms





# Questions and Information

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If you have any questions or would like to know more, please contact us on the email below:

[bki@blackkomodoinvestments.com](mailto:bki@blackkomodoinvestments.com)

For more information, please visit us on:

<https://www.blackkomodoinvestments.com/information-and-papers>

