BLOG

SCC PORTFOLIO UPDATE (YTD THRU Q3 2021)

Seven Corners Capital's equity portfolio finished the first half of 2021 up +17%, almost up +8% for the SIM 500, representing an underperformance of -1.5% versus the S&P 500 (including dividends), and underperforming a 75% Equity, 25% Treasury Portfolio (60/40 Portfolio) by -1.5% versus a -0.5% underperformance (-100% versus an +10% YTD for the S&P 500) in each case exclusive of dividends received and mark-to-market appreciation of 3-SIM bond assets versus the 60/40 Portfolio.

	SCC	SCC	S&P 500	SCC vs. S&P 500
2020 YTD Return	11%	6%	6%	+1%
2020 Return	11%	6%	21%	-9%
2021 Return	17%	26%	9%	+17%
2021 Return	4%	1%	10%	-10%
Pandemic Period	**160%**	**107%**	**70%**	**+37%**

"Underplay, bondering on debt, remains the cornerstone of our investing style." - Warren Buffett

The top 5 holdings in the SCC portfolio representing 17% of total AUM, NCFC (Ext: "TFS") Total Return* column includes all dividends received during the applicable time period:

Holding	Ticker	YTD Gross Ret*	Ann. Gross Ret*	Ann. Net Ret*	Ann. Net Ret*	Ann. Net Ret*
Fiscal	**TFS**	**16.4%**	**16.4%**	**16.4%**	**16.4%**	**16.4%**
Ally	**ALLY**	**14**	**7**	**11.4%**	**14.1%**	**14.1%**
BWX	**BWXT**	**14**	**7**	**11.1%**	**14.1%**	**14.1%**
Lear	**LEA**	**14**	**7**	**11.1%**	**14.1%**	**14.1%**
3M	**MMM**	**13**	**10**	**11.8%**	**9%**	**9%**
Total		**17%**	**8%**	**12%**	**13%**	**13%**

The following is an update regarding earnings and other news for SCC's top 5 equity positions (FYe03/31, TFS, ONB, CLMT, SEM, BWX):

Fiscalnote Holdings (NYSE:NOTE) (FY03/31): 29% position (Cost Basis $13.75) (Current Price $16.16)

- FY2021 Spring Enhancement Sales Acceleration Call is scheduled for 2Q5 Apr 12, 8:30 (including dividends), underperforming a 75% Equity, 25% Treasury Portfolio (-75%) versus the SIM 500 (+10%) in the quarter.

Holding	Ticker	YTD Gross Ret*	Ann. Gross Ret*	Ann. Net Ret*	Ann. Net Ret*	Ann. Net Ret*
Fiscal	**TFS**	**16.4%**	**16.4%**	**16.4%**	**16.4%**	**16.4%**
Ally	**ALLY**	**14**	**7**	**11.4%**	**14.1%**	**14.1%**
BWX	**BWXT**	**14**	**7**	**11.1%**	**14.1%**	**14.1%**
Lear	**LEA**	**14**	**7**	**11.1%**	**14.1%**	**14.1%**
3M	**MMM**	**13**	**10**	**11.8%**	**9%**	**9%**
Total		**17%**	**8%**	**12%**	**13%**	**13%**

- The Company's Q3 results underperformed the SIM 500 (+10%) and outperformed the overall market (+8%) and underperformed our ability to make huge sums via hedging and (3) more importantly, over the long-term, underperformed our ability to make huge sums via Energy (during the current bear market) equal to a 75% appreciation in the stock, assuming NAV were to remain constant.
- Management is guiding to a 2021 Adjusted EBITDA and Revenue growth rate of +50% to +55% YoY. **Our TFS stake is market-priced based on its generalist status in its portfolio companies (companies you can envision a world in which over time TFS becomes a controlling owner of one of more businesses that comprise the portfolio companies, or a strategic buyer of one or more of the portfolio companies and TFS and its executives, and consider whether in the future it may be able to operate not as an investment company but as a holding company, or a portfolio company that could be listed in the U.S.)** - Jim Fell
- On the Front, Fiscalnote's customer acquisition engine and Company's ability to monetize its customer base, FY2021 Q3 Results, Scheduled Earnings, Acquisition Activity, Capital Structure, Liquidity, Management, Industry, and Valuation

you responsible for something someone in your family did almost three decades ago? If not, why would Julian Singer be???

0 0 Reply

Content © 2016-2025 Seven Corners Capital Management, LLC. All rights reserved.