

# Comus Investment, LLC

	<u>Comus Gross</u>	<u>Comus Net</u>	<u>S&amp;P 500</u>	<u>Russell 2000</u>	<u>MSCI EAFE Small-Cap</u>
2016*	32.60%	30.87%	12.26%	22.77%	1.55%
2017	36.03%	33.50%	20.17%	14.65%	33.50%
2018	-4.47%	-6.99%	-4.39%	-11.01%	-17.58%
2019	11.17%	8.65%	31.48%	25.52%	25.47%
2020	10.33%	7.81%	18.40%	19.93%	11.69%
2021	20.56%	18.67%	15.92%	12.40%	9.88%
Cumulative	154.80%	125.88%	132.75%	111.94%	72.05%
Annualized	18.54%	15.97%	16.60%	14.63%	10.37%

\*April 1<sup>st</sup> – Dec 31<sup>st</sup>, 2016

The compounded performance figures represent all realized and unrealized losses and gains in the firm's brokerage account after commissions and on a currency-adjusted basis over the specified period, as recorded by InteractiveBrokers. Index returns represent total return including dividends.

Dear Partners,

Oct 1st, 2021

In the third quarter of 2021, our investments experienced a total return of 6.97% before fees and 6.34% after fees, versus 0.58% for the S&P 500 index. At this point, you will have received reports with the details on your balance, fees, holdings, and performance from InteractiveBrokers for the past quarter.

As noted in the past quarter, our portfolio has changed dramatically in recent months and hopefully these changes make all the difference. The past few years have certainly been historically difficult for value-type investors, but there's no doubt I was holding us back with relatively minor, systematic errors. A quote from [this article](#) in the NYT about a plant's inexplicable ability to survive for thousands of years in harsh conditions summarizes these changes:

*“The study also underscores the importance of curiosity-driven research. When you encounter two leaves growing in a desert against all odds, kneel down in the burning soil and take a closer look.*

*“From weird things, you discover weird things that help you understand things that you didn't know you didn't understand.”*

Given that the market we are most heavily invested in has dropped mid-double digits this quarter (related to some regional fears that have been detailed in the news), our results are an improvement. Our portfolio has little correlation to much else, particularly U.S. stocks at this point, and it should indefinitely remain that way. I continue to mention it quarterly, but it has been simple for people to make money in every asset class recently, and it will be fascinating to see how the coming years unfold. Lastly, I've seen numerous commentators speculate that if interest rates remained near-zero, there would be no price too high to pay for U.S. stocks (since any return is better than basically nothing from bonds). I suppose this sentiment is the reason there are more U.S. companies trading above 10-20x+ sales than at any point in history. Sounds like a very curious and odd notion to me that calls Irving Fisher to mind.

As always, feel free to contact me at any time with questions, comments or concerns.

Best,

Aaron J. Saunders

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