Live long and prosper with

PJ10X Fund

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PJ10X targets investors who share the same ideology of prosper life

By investing in stock that concerns about the ***environment, social, and corporate governance (ESGs)***

Who are we?

PJ10 X Fund

An active open-ended fund with only 0.15% of management fee

Investing in 100% stock that has up to our standard ESGs score

Managed by Asia top-talented fund managers
Harit Hatawong
Krittaphong Kaewvichian

About the number

Expected return (As of May 2020):
21.96 %
Standard deviation (Risk):
27.37%
Invested asset ESGs score:
73.73

MORNINGSTAR ★★★★★

Investor who should invest in our fund

I. Commits to **long-term horizon** investment
since our fund is investing in value stock

II. Cares about true value of benefits in the future
both for investors and this world

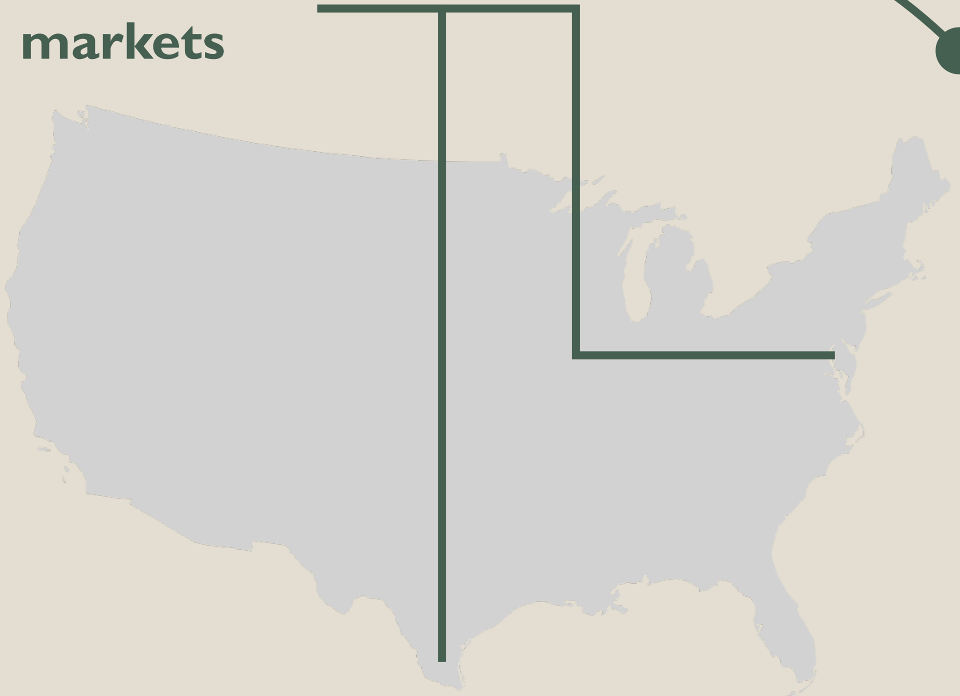
Investment Strategy

PJ10X Fund

PJ10X is 100% investing in US stock market

US stock market, one of the largest stock markets in the world

US stock markets



Diversification method could be applied in US stock market

Market cap of all US stocks (based on 2020)
40,700,000 billion USD

Various choice of industry and type of business

To meet our ultimate goal, our stock invested are 100% value stock

Due to the uncertainty of economy, and a huge injection amount of money from FED

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Market capitalization

Consideration factors

- Less volatile or have a good reputation during economic fluctuation
- Likely to be able to pass our ESGs score standard

Company that has a market value more than

10 billion USD

S&P500

Company that has a market value between

2-10 billion USD

Company that has a market value between

300 million to 2 billion USD

Value / Growth stock

FED has already launched an enormous amount of QE, $700 billion.

COVID-19 Pandemic since 2019

Expected inflation is higher.

Economic is in down-turn.

We choose

Value stock

Growth stock could be more volatile and suffering from the high P/E ratio

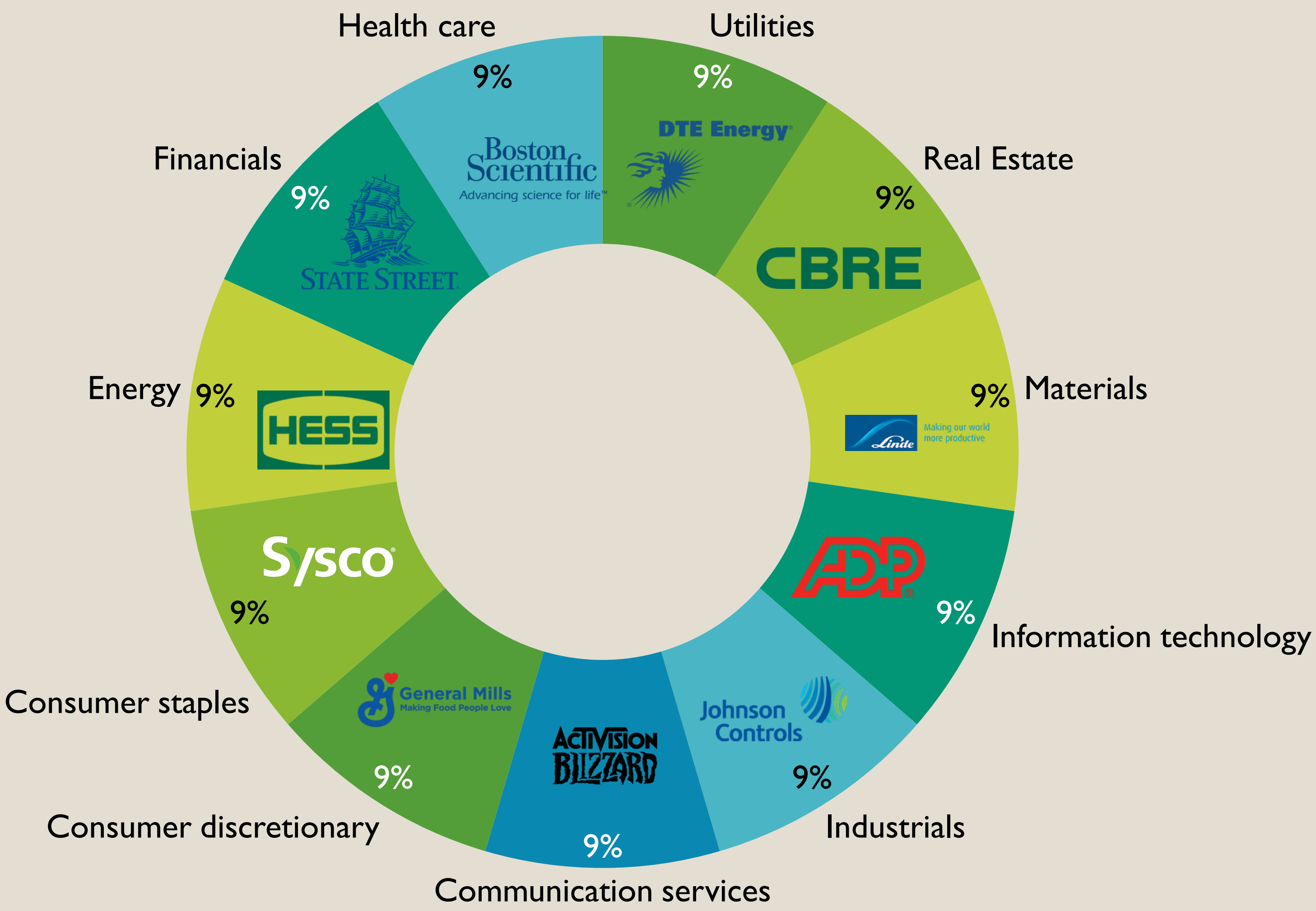
Carefully choose value stock from S&P500

Positive P/E, Positive EPS, and met the ESGs standard score

Selection process	Methodology	#Stock
S&P500	Picked and analysed by Standard & Poor, S&P500 contains only company with market cap 13.1 billion	505
Positive P/E	Positive P/E between (2009-2019) Before screening we drop the outliers in each sector (11 sectors)	397
Positive EPS and DY	The same P/E conditions apply for EPS and DY	142
ESGs added	Assigned weight **40% to P/E, 40% to DY, 20% to ESGs** *Then select the top 3 in each sector (11 sectors)*	33

Sector breakdown into 11 sectors

Positive P/E, Positive EPS, and met the ESGs standard score



Fun facts before going to number part

1. 60% of invested stock uses blue as a main colour
2. We have **Philips Morris** in our portfolio, after the investigation, we found that PMI is shifting their products to nicotine-based only product by 2025.

Portfolio construction

PJ10X Fund

Portfolio construction

PJ10X Provides choices, which are as follows

Mean-variance Optimization portfolio

Choosing the stocks proportion to create the portfolio with maximum Sharpe's ratio

Equal weight portfolio

Allocating each stock with equal proportion.

Market-capitalization Weight portfolio

The proportions are based on the market capitalization of each stock compared to the total investment group.

Black-Litterman approach portfolio

An optimal portfolio which Incorporated our opinion and analysis into the benchmark portfolio components.

Portfolio construction

The BL portfolio is incorporated with our opinion and analysis into expected return based on sector categorized.

60% weighted

Investor's opinion
Return portfolio

40% weighted

Benchmark portfolio

market-cap
Weighted

Black-Litterman approach portfolio

An optimal portfolio
which Incorporated our opinion and analysis into the benchmark portfolio components.

Portfolio construction

The BL portfolio is incorporated with our opinion and analysis into expected return based on sector categorized.

Adjusted (- 2%)

Energy

Adjusted criteria

±1% for short-term impact

±2% for long term impact or incorporated with more than 1 factor

Adjusted (+2%)

Communication services
Information technology

Adjusted (- 1%)

Consumer discretionary
Financial sector
Industrial
Materials
Real estate
Utilities

Non-adjusted (0%)

Consumer staples

Adjusted (+1%)

Health Care

Portfolio construction

Stock allocation

PJ10X Fund

Mean-variance Optimization portfolio

ATVI.O	18.72%	TMO	0.00%
LUMN.K	0.00%	LMT	0.00%
EA.O	0.00%	GWW	0.00%
GPS	0.00%	JCI	0.00%
RCL	0.00%	ADI.O	0.00%
GRMN.O	8.42%	IBM	0.00%
PM	0.00%	ADP.O	0.00%
GIS	62.66%	LIN	0.00%
SYY	0.00%	PPG	0.00%
OXY	0.00%	EMN	0.00%
HES	0.00%	ARE	0.00%
WMB	0.00%	CBRE.K	0.00%
STT	0.00%	PLD	10.20%
BK	0.00%	DTE	0.00%
RF	0.00%	AES	0.00%
BSX	0.00%	NI	0.00%
BIIB.O	0.00%		

Equal weight portfolio

ATVI.O	3.03%	TMO	3.03%
LUMN.K	3.03%	LMT	3.03%
EA.O	3.03%	GWW	3.03%
GPS	3.03%	JCI	3.03%
RCL	3.03%	ADI.O	3.03%
GRMN.O	3.03%	IBM	3.03%
PM	3.03%	ADP.O	3.03%
GIS	3.03%	LIN	3.03%
SYY	3.03%	PPG	3.03%
OXY	3.03%	EMN	3.03%
HES	3.03%	ARE	3.03%
WMB	3.03%	CBRE.K	3.03%
STT	3.03%	PLD	3.03%
BK	3.03%	DTE	3.03%
RF	3.03%	AES	3.03%
BSX	3.03%	NI	3.03%
BIIB.O	3.03%		

Market-capitalization Weight portfolio

ATVI.O	4.12%	TMO	10.30%
LUMN.K	0.85%	LMT	8.51%
EA.O	2.67%	GWW	1.26%
GPS	0.27%	JCI	1.79%
RCL	0.82%	ADI.O	3.11%
GRMN.O	1.32%	IBM	8.42%
PM	8.71%	ADP.O	4.74%
GIS	2.86%	LIN	8.00%
SYY	2.16%	PPG	1.84%
OXY	0.93%	EMN	0.71%
HES	1.13%	ARE	1.49%
WMB	1.84%	CBRE.K	1.13%
STT	1.67%	PLD	5.23%
BK	2.53%	DTE	1.58%
RF	0.84%	AES	0.65%
BSX	4.08%	NI	0.70%
BIIB.O	3.73%		

Black-Litterman approach portfolio

ATVI.O	2.55%	TMO	10.04%
LUMN.K	2.77%	LMT	3.40%
EA.O	9.62%	GWW	0.50%
GPS	0.34%	JCI	0.71%
RCL	2.30%	ADI.O	7.57%
GRMN.O	1.45%	IBM	12.87%
PM	6.15%	ADP.O	17.31%
GIS	1.14%	LIN	3.20%
SYY	1.37%	PPG	0.74%
OXY	0.37%	EMN	0.28%
HES	0.45%	ARE	0.60%
WMB	0.74%	CBRE.K	0.45%
STT	0.67%	PLD	2.09%
BK	1.01%	DTE	0.63%
RF	0.34%	AES	0.26%
BSX	3.14%	NI	0.28%
BIIB.O	4.64%		

Portfolio Evaluation

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Performance evaluation

Evaluate the performance and regression analysis

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Performance

Portfolio	MVO	EW	MW	BL
Arithmetic return	0.31%	0.89%	0.62%	0.59%
Standard deviation	1.96%	2.95%	2.37%	2.24%
Jensen's Alpha	-0.03%	0.18%	0.01%	0.02%
Beta	0.47	0.96	0.83	0.77
Sharpe ratio	0.16	0.30	0.26	0.26
Treynor ratio	0.007	0.009	0.008	0.008

Best portfolio : Equal-weighed

Regression analysis

Portfolio	MVO	EW	MW	BL
Alpha	0.05	0.00	-0.04	-0.01
t-stat	0.25	-0.02	-0.32	-0.09
Mkt-RF	0.51	0.95	0.85	0.80
t-stat	5.62	19.70	15.35	12.94
SMB	-0.18	0.05	-0.11	-0.11
t-stat	-1.44	0.76	-1.49	-1.31
HML	-0.14	0.49	0.23	0.18
t-stat	-2.05	13.38	5.58	3.87

MVO could generate the positive abnormal return

MW and BL results are implying that we are investing in Big-cap and value stocks as our purpose. While, MVO and EW results are not.

*Most of the results are not statistically significant

Performance evaluation

Comparing with the benchmark

Benchmark

Portfolio	Market	Sp500	MVO	EW	MW	BL
Arithmetic return (weekly)	0.74%	0.68%	0.31%	0.89%	0.62%	0.59%
Standard deviation (weekly)	2.48%	2.38%	1.96%	2.95%	2.37%	2.24%
Jensen's Alpha	0.00%	-0.02%	-0.03%	0.18%	0.01%	0.02%
Beta	1.00	0.94	0.47	0.96	0.83	0.77
Sharpe ratio	0.30	0.29	0.16	0.30	0.26	0.26
Treynor ratio	0.007	0.007	0.007	0.009	0.008	0.008

Regression	Market	Sp500	MVO	EW	MW	BL
Alpha	NA	0.00	0.05	0.00	-0.04	-0.01
Mkt-RF	NA	0.98	0.51	0.95	0.85	0.80
SMB	NA	-0.16	-0.18	0.05	-0.11	-0.11
HML	NA	0.05	-0.14	0.49	0.23	0.18

Return on Investment	Market	Sp500	MVO	EW	MW	BL
ROI before fee	NA	NA	16.38%	55.20%	36.30%	34.29%
ROI after fee	44.34%	40.32%	15.16%	53.57%	34.88%	32.89%

Holding period return

Initial investment as 1,000,000 USD & including fees

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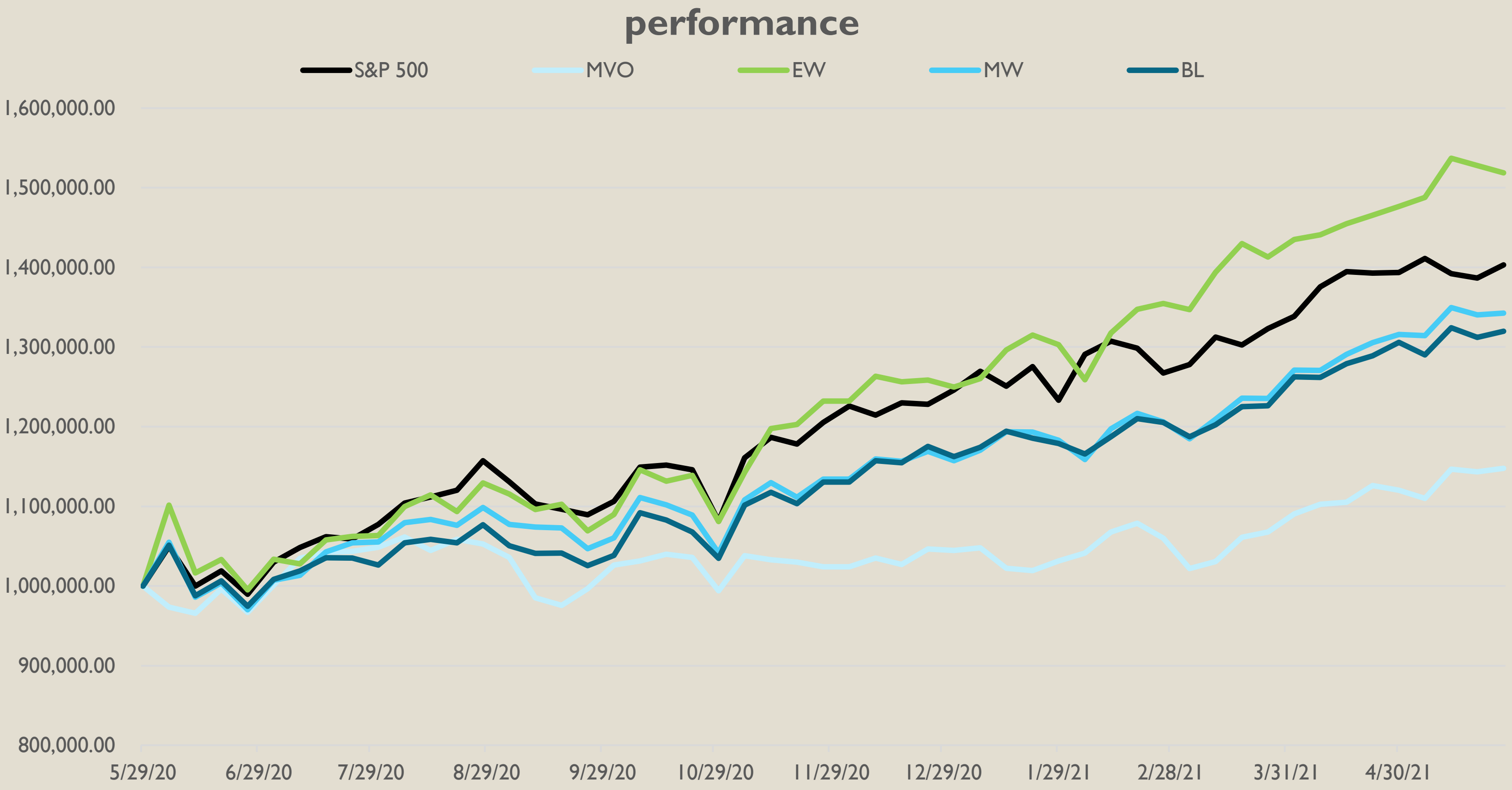

Conclusion

Live long and prosper with PJ10X Fund

Bright sides

1. Our fund choose the stocks based on their **performance and responsibility to our world**

2. **Positive ROI and high performance**, all of our portfolios could beat S&P500 index in terms of Treynor, Jensen ratios, and arithmetic weekly return

Limitations

1. Since, we are investing in only 33 stocks, it **might be not fully diversified portfolio**. In the future, we will carefully add more asset types and classes in our portfolio.

2. Mainly focus on sustainable value stocks, **it might not be attractive to all investors**

Thank you and we hope that you

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PJ10X Fund