



FOR IMMEDIATE RELEASE

# DOMO Capital Announces Results through Q3, 2018

Germantown, WI – October 8, 2018

**DOMO Capital returns 10.2% through the third quarter of 2018, net of fees.**

## Summary

DOMO Capital Management, LLC (“DOMO Capital”) is pleased to provide an update on 2018 performance through the third quarter of 2018. Both the S&P 500 Total Return index and the DOMO Concentrated All Cap Value composite (net of fees) have returned approximately 10.5% YTD through the third quarter of 2018.

It was a relatively benign quarter, with few macro events impacting the portfolio. However, we will be watching the 2018 elections closely. We believe the GOP will gain seats in the Senate, but are uncertain how many. The results in the House of Representatives are more difficult to predict, although we think that a Democrat majority in the House might trigger the next market crisis, perhaps even quite rapidly. If the Democrats win the House there is one possible event in particular that we will be watching very carefully, and we may seek to protect the portfolio should it develop. We would prefer to just pick great stocks, but we will do what we think necessary to protect your assets. If the GOP maintains control of both the Senate and the House we see little risk to the market unless interest rates invert or 10-year treasury rates appreciate sharply above 3.25%.

The very recent agreement between the U.S., Mexico, and Canada to replace NAFTA is a major development that is likely to benefit the market and the portfolio. The agreement maintains tariffs on steel and aluminum while benefiting dairy farmers, U.S. auto manufacturers, and American workers, while Canada preserved a dispute resolution process that existed in NAFTA. It settles potential problems associated with the lack of an agreement with our neighbors and key trading partners, without meaningful compromise on the part of American business. It should also strengthen the Canadian dollar along with their business outlook, for many of the same reasons, which is good for the two names we hold that are domiciled in Canada. This agreement will also put pressure on China as it strengthens the American hand.

## DOMO Capital Updates

During the quarter, *Pensions & Investments* named DOMO Capital as a “Top-Performing Manager” in its most recent Q2, 2018 quarterly ranking of managers. Using Morningstar’s Separate Account/Collective Investment Trust Fund Database, *Pensions & Investments* evaluates managers 1-year and 5-year performance against peer groups. DOMO Capital recently joined this database, and as a new participant quickly established credibility, earning a first or second finish in three categories for 5-year returns. The DOMO Concentrated All Cap Value composite annualized 25.32% gross and 22.52% net over the last five years ended June 30, 2018 which resulted in a rank of #2 out of the entire Morningstar universe of strategies invested in U.S. Equities. The S&P 500 Total Return Index annualized 15.79% over the same time period while the median annualized return in the Morningstar universe of U.S. Equity was 12.51%.

You can read our full press release regarding this news here: [http://www.domocapital.com/August\\_23\\_2018\\_-\\_DOMO\\_Capital\\_Ranked\\_Second\\_by\\_Pensions\\_and\\_Investments\\_in\\_US\\_Equity.html](http://www.domocapital.com/August_23_2018_-_DOMO_Capital_Ranked_Second_by_Pensions_and_Investments_in_US_Equity.html)

Assets under management, as of the beginning of October, have now risen above \$13 million, and we are on track for another year of significant growth!



## **About DOMO Capital Management, LLC**

DOMO Capital Management, LLC (“DOMO Capital”) is a Wisconsin-registered investment advisor, founded in 2007 by Justin Dopierala and headquartered in Germantown, Wisconsin. DOMO Capital is the portfolio manager of the DOMO Concentrated All Cap Value composite – a composite of separately managed accounts utilizing the DOMO Concentrated All Cap Value strategy with an inception date of October 8, 2008. DOMO Capital firmly believes that investing in a concentrated portfolio of securities through a bottom-up methodology, focused on undervalued and out of favor stocks with solid fundamentals, leads to a repeatable process to provide superior, risk-adjusted returns over the long-term.

## **Disclaimer**

Additional information about DOMO Capital is disclosed in our Form ADV, which is available upon request. All information contained herein is for general informational purposes only and does not constitute a solicitation or an offer to provide investment advisory services in any jurisdiction. The investment strategy discussed herein may not be suitable for everyone. Investors need to review an investment strategy for their own particular situation before making any investment decision. We believe any information obtained from any third-party resources to be reliable, but we do not guarantee its accuracy, timeliness or completeness. Any opinions, estimates, projections, comments on financial market trends and other information contained herein constitute our judgment and are as of the date of the material, are subject to change without notice at any time in reaction to shifting market conditions and other factors and should not be construed as personalized investment advice. DOMO Capital has no obligation to provide any updates or changes to such information. Past performance is not indicative of future results. It should not be assumed that investments made in the future will be profitable or will equal any performance represented herein. The benchmark index reflected herein, the S&P 500 Total Return Index, is a capitalization-weighted index of 500 stocks from a broad range of industries. The benchmark index is shown for comparative purposes only. Investors cannot invest directly in an index. Any references to specific securities is intended to illustrate our investment style, should not be viewed as representative of an entire portfolio, and does not constitute, and should not be construed as, a recommendation to buy or sell specific securities.

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