

**FX2**

DURIG CAPITAL, *INC.*

**FIXED INCOME 2(FX2)**

A BRIEF OVERVIEW OF **INDIVIDUAL** INVESTMENT IN **FX2**

---

# Disclaimer!

Information in this presentation is provided for informational purposes only and is not offered as advice with respect to any particular security or related financial instrument. This information should not be used as a basis for making an investment decision and must not be treated as a substitute for seeking advice from a licensed professional. The suitability of a given investment for a particular investor depends on a number of factors, each of which should be considered carefully. Such factors include, but are not limited to, the risk associated with the investment, the nature of current market conditions, and the investor's objectives, personal needs, and specific circumstances. This is neither a solicitation to buy nor an offer to sell to any person. The content within this presentation an informational overview of retail investing and our segregated (individual) accounts in Fixed Income 2 **FX2**), Durig Capital's actively managed, high-yield, fixed-income portfolio.

---

# Agenda

- ❖ Third Party Support Services
- ❖ Key Staff & Bios
- ❖ Organizational Chart
- ❖ The U.S. Bond Market
- ❖ Credit Rating Agencies
- ❖ Inefficiencies of the Bond Market
  - Active vs. Passive Management in Fixed Income
- ❖ Fixed Income 2 (**FX2**)
  - Ideology
  - Structural Advantages
  - Risk Assessment & Mitigation
  - Focus, Strategy & Selection
  - Operational Turnarounds
  - Allocation, Growth & Performance
  - Benefits of investment in **FX2**
- ❖ Summary
- ❖ References

---

# Third Party Support Services

**Auditing Firm:** Ashland Partners & Co., LLP

**Prime Brokerage Firm:** TD Ameritrade

**Legal Counsel:** Justin Stark



**"BEST FOR FIDUCIARY SERVICES"**  
(ACQUISITION INTERNATIONAL,  
2017)



---

# Our Team - Over 50 Years of Combined, “Boots on the Ground” Investment Experience

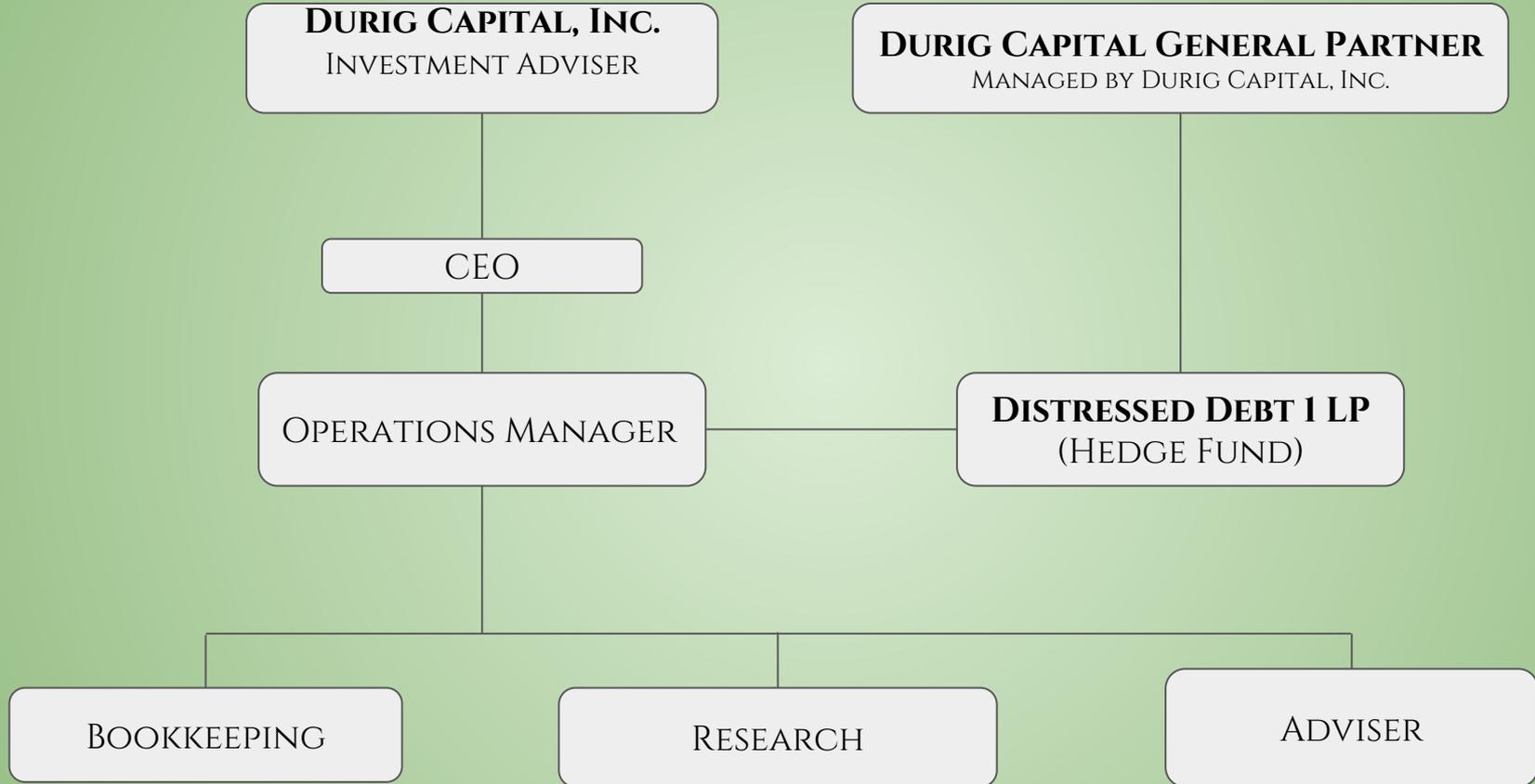
## Randy Durig

- ❖ CEO, Owner of Durig Capital, Inc., Portfolio Manager, (2001- Present)
- ❖ Senior VP, Charter Investment Group/Sutro & Co. (Now RBC) (1990-2001)
- ❖ CEO, CCO, Manager of the Distressed Debt 1 Hedge Fund (2015-Present)
  - Distressed Debt 1 has returned **199.16%** since inception on 10-1-15
- ❖ Portfolio Manager, Fixed Income 2 (**FX2**), (2011-Present)
- ❖ While managing at Sutro & Co., Randy Durig produced over **500%** (annualized at over **80%**) before starting his own advisory firm (9)
- ❖ Owns, founded, and operates numerous businesses across various industries, with *extensive experience in operational turnarounds*
- ❖ Mr. Durig has found his niche, by leveraging both his operational background and investment management experience to bring Durig Capital, Inc. to be among the top of his peers in Fixed-Income

## Hugh Smithers

- ❖ Trader, Fixed Income 2 (**FX2**) (2011-Present)
- ❖ Fund Administrator - Distressed Debt 1 (2015-Present)
- ❖ FINRA Series 65 Licensed
- ❖ CEO, Precision Flooring Services (1985-2000)
- ❖ Sales Manager, Lithia Auto Group (2000-2005)
- ❖ Operations Manager, Beaverton Wood Floors (2009-2010)
- ❖ Many years of hands-on experience owning and operating businesses
- ❖ St. Lawrence University - Theology Degree

# DURIG CAPITAL'S ORGANIZATIONAL CHART



---

# ***“Always putting your interests first”***

- ❖ We are a fiduciary first and foremost, providing our Advisory clients with a personalized fiduciary service that is very low-cost.
- ❖ The information contained in this presentation is an informative overview of our discretionarily managed, high-yielding fixed-income portfolio, **Fixed Income 2 (FX2)**
- ❖ The current majority of our accounts are held under the custody of TD Ameritrade, one of our primary Broker/Dealers
- ❖ We encourage our clients to invest with us on a *discretionary* basis
  - Through our investment experience we have found a successful path and we would like to bring our clients along for the ride

# The U.S. Bond Market

- ❖ The primary function of the bond market is to provide long-term funding for companies' capital expenditures (28)
- ❖ Bonds are Debt Instruments which function as a loan in which the issuer (company) agrees to pay the bondholder the principal loan amount at a set maturity, usually paying a fixed or variable rate of interest on the stated principal until maturity
  - Common bond types included: US Treasuries, Municipals, Corporates & High-Yield, among others
- ❖ A 2011 study by Mckinsey Global Institute places a market cap on *global debt outstanding* of approximately \$93 trillion ( double the capitalization of the equity markets at the time) (14) (19)
- ❖ A 2017 SIFMA analysis estimates total outstanding debt in the US of nearly \$40 trillion, of which between \$9-13 trillion is considered corporate debt (8) (15)

# Credit Rating Agencies

- ❖ Much of the activity in this market is indirectly influenced by three credit agencies:
  - Moody's
  - S&P
  - Fitch
- ❖ These rating agencies evaluate the credit arrangements & creditworthiness of companies and assign a ranking based on these, among other considerations and analysis
- ❖ The majority of investors and financial institutions consider these ratings prior to investment as an indication of the quality of the asset or debt-instrument being considered
- ❖ Fitch claims that 90% of the world relies on their ratings to govern business decisions

# Inefficiencies of The U.S. Bond Market

- ❖ Most ratings agencies' policy is to maintain a review Period of 12 months (*Standard & Poor's*) (11)
  - Mid & Small-cap firms often are overlooked and receive less frequent credit reviews due to a broken pay model in which issuers pay substantially to be given a rating (24)
    - "The quality of investment-grade securities can deteriorate over time. With lower-rated securities, the opposite is often true." - *Michael milken* (27)
- ❖ Many large financial institutions are mandated to liquidate positions once the underlying security's rating has been downgraded beyond a certain threshold, often perpetuated by "bandwagon" individual investors

# Equity Market Efficiency vs. Bond Market Inefficiency

- ❖ In today's Equity markets, most investment managers are unable to exceed the returns of the S&P 500 TR Index
  - Over the last 15 years, the S&P 500 TR outperformed the returns of:
    - Large-cap Fund Managers 92.2% of the time (32)
    - Mid-cap Fund Managers 95.4% of the time (32)
    - Small-cap Fund Managers 93.2% of the time (32)
- ❖ Our belief is that this is due to the ever-growing efficiency of the equity markets
- ❖ A recent study (36) of active bond fund managers revealed that over the past 5 years, these active bond fund categories have outperformed the returns of their passive peers:
  - Short-Term Bonds - 60% of the time (36)
  - Intermediate-Term Bonds - 84% of the time (36)
  - High-Yield Bonds - 81% of the time (36)
- ❖ We seek to capture opportunities in the debt markets, which lack the same efficiency of equity markets

---

# Ideology

- ❖ It is our belief that while the stock markets are very efficient, the bond markets are *not*
- ❖ Debt Markets are susceptible to seasonality and cyclical turns (38)
- ❖ Many bondholders employ “buy & hold” strategies, leading to a lack of trading activity & less efficient dissemination of information
- ❖ Due to the inefficiencies present, bond investing is thought to be more complex to understand to the average investor than stock investing
- ❖ Rating agencies tend to lag behind current market trends due to infrequent credit reviews, and often give more favorable treatment to large cap, established firms (11)

# FX2 Structural Advantages

- ❖ Low average cost + Higher Returns = Higher Net Returns to Clients
- ❖ Professional Management & Personalized Service
- ❖ Discretion allows for active management of investments
  - This grants us the ability to take a more proactive approach in our actions as opposed to reacting to market events *after* they unfold
- ❖ Segregated accounts; no pooled funding
- ❖ The tax implications of the account match that of the investor
- ❖ Clients may access their account online, allowing for 3rd party validation
  - TD Ameritrade offers comprehensive, 24/7 account access online to their custodial clients

# Risk Assessment

- ❖ Substantial protection against risk in the long-term is to buy assets below their intrinsic value (we target undervalued companies) or those trading well below PAR value, allowing for much greater upside reward potential (37)
- ❖ This pricing scenario often comes from the aftermath of a “Black Swan Events”, cyclical downturns or crashes, oversupply of products, services, volatile interest rates, etc.
  - In 1999, the crash was the Internet- Real Estate & Oil were not significantly impacted
  - Crash of 2008 - Real Estate & Banking markets crash- Internet businesses & Oil firms were not significantly impacted
  - 2016 - The Oil markets crash - Internet businesses & Real Estate markets were not significantly impacted
- ❖ These industry focused sell-offs often create unbalanced pricing scenarios in which assets are carried at a value substantially below their intrinsic values
- ❖ Most flee such events, but we look at the company's “vitals” :
  - Long-Term Businesses with significant barriers to entry
  - Improved Business
  - Positive Free Cash Flow
  - Improved Human Capital
    - “Any analysis of capital structure should recognize that most balance sheets are dramatically inaccurate because.. they fail to include the value of human capital.” - *Michael Milken on Human Capital (27)*

# Portfolio Diversification & Risk Mitigation

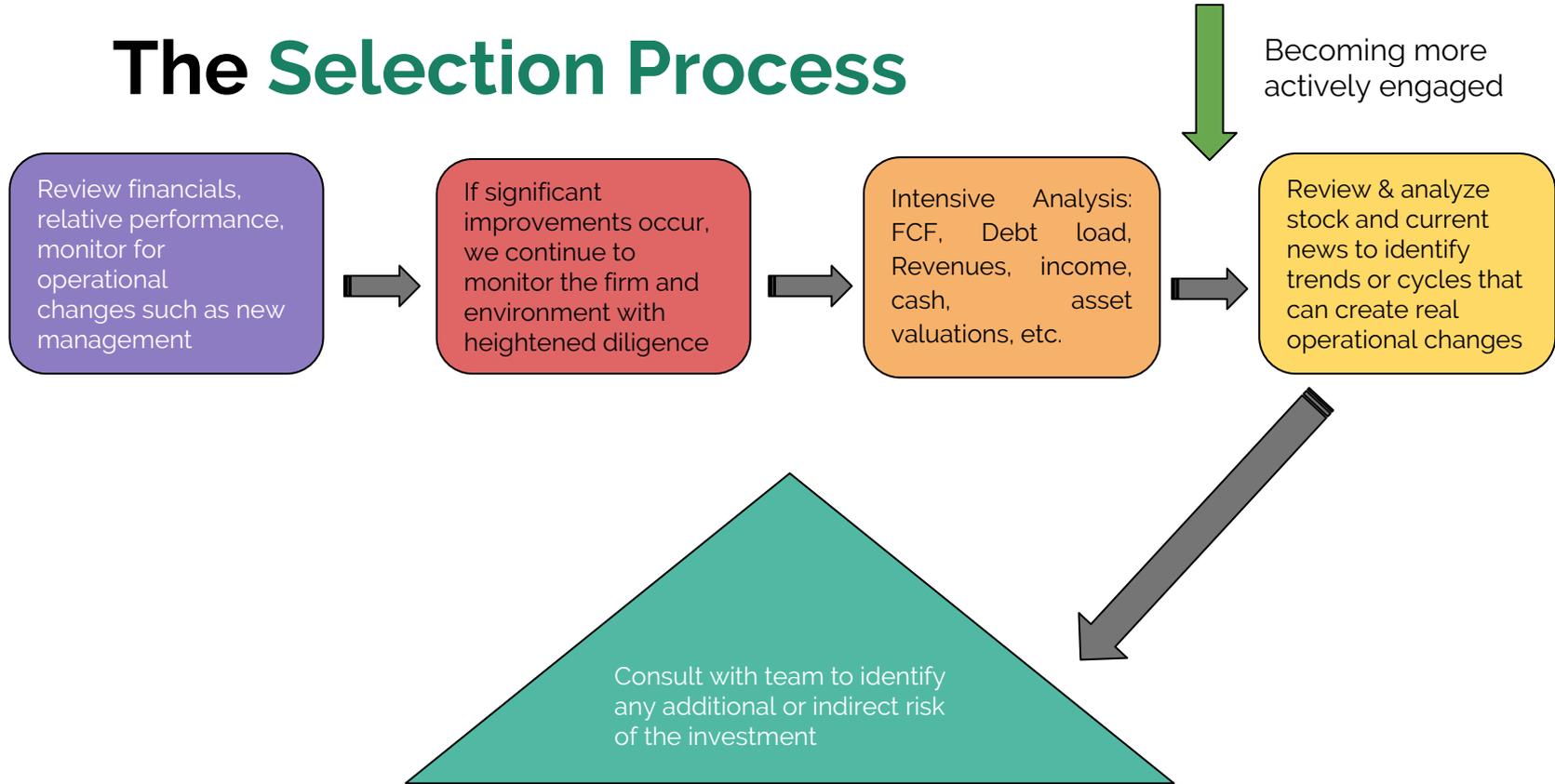
- ❖ We methodically analyze the overall impact to risk & reward in the fund for each security we mark for investment, in line with Modern Portfolio Theory
  - We monitor a company's situation/fundamentals for months, sometimes years, before determining if the investment is cohesive with the risk/reward profile of the overall portfolio
- ❖ *A car with dents will sell cheap, it doesn't mean it can't be fixed*
  - By doing our own in-house research and benchmarking against the actions of the rating agencies, we can validate that the rating agencies are not acting in a timely manner
  - By looking at the company's quarter, we can affirm our beliefs and capture opportunities or act on inefficiencies much sooner than the rating agencies, who typically review once a year (11)
- ❖ We also seek to Lower Portfolio Risk by:
  - Diversification among issuers and industries
  - Producing and maintaining a High Alpha (return generated by investment manager that exceeds the expected return anticipated by Beta)

---

# Our Focus

- ❖ Our primary goal is to provide consistently high returns on fixed income securities through our portfolio of discounted bond issues
- ❖ Typically, we focus acquisition on discounted issues that trade at a fraction of PAR value with ***improving fundamentals***, often targeting a full recovery
- ❖ Once a specific issue has been marked for investment, we monitor the firm's activity, looking for improving fundamentals such as debt service and repurchase, improving coverage ratios, and positive free cash flows
- ❖ We like to buy as soon as recovery is probable, positioning us for acquisition prior to any significant appreciation that may take place

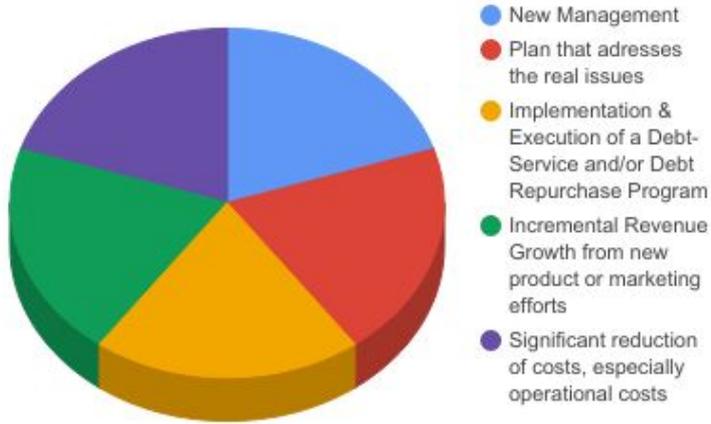
# The Selection Process



---

# The “turnaround”

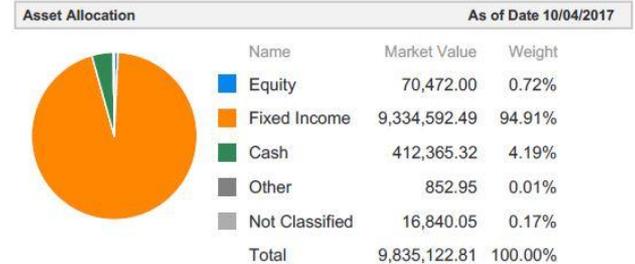
## Key Elements of a Turnaround



❖ Through our experience we have found several factors present in nearly every “turnaround”

# Allocation & Top Holdings

- ❖ The majority of our **FX2** accounts are heavily weighted in domestic corporate bond issues that have met our stringent investment criteria
- ❖ We try to maintain average maturities of these bonds at 2-3 years to minimize interest rate volatility and benefit from laddered maturities

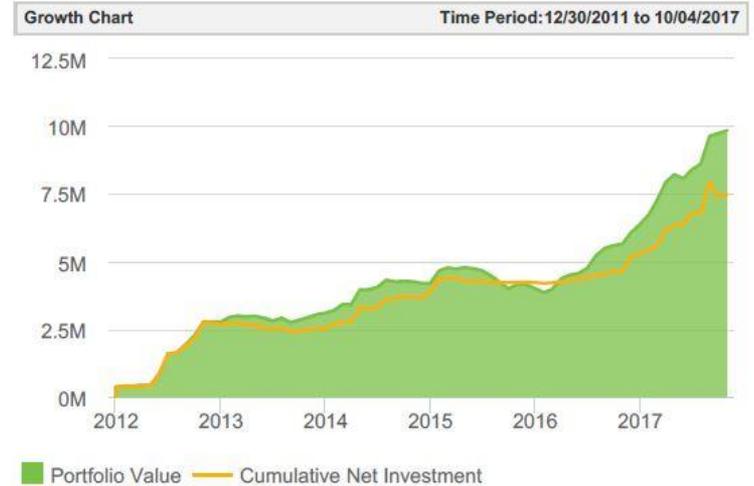


Top 10 Holdings		As of Date 10/04/2017	
Security Name/Description	Symbol	Market Value	Weight
GRAN COLOMBIA GOLD CORP SR DEB ENTURE ...	38501DAH8	1,196,423.30	12.16%
WTI 8 1/2 06/15/19	92922PAC0	1,053,448.52	10.71%
INTELSAT BERMUDA LTD SENIOR NO TE CALLAB...	458204AP9	750,675.34	7.63%
DISC AIR INC SUB DEB CONVERTIB LE NOT RAT...	25470EAB3	497,299.34	5.06%
CUMULUS MEDIA HLDGS INC SENIOR NOTE CAL...	23109BAA5	458,876.98	4.67%
FERRELLGAS PARTNERS L P / SENI OR NOTE CA...	315295AE5	346,921.12	3.53%
LEGACY RESERVES LP/ LEGACY FI SENIOR NOT...	52471TAB3	343,164.48	3.49%
FDIC INSURED DEPOSIT ACCOUNT IDA12 NOT C...	MMDA12	330,220.49	3.36%
ALLIANCE ONE INTERNATIONAL SEN IOR NOTE ...	018772AS2	286,612.34	2.91%
ION GEOPHYSICAL CORP NOTE	462044AH1	216,970.49	2.21%

# Growth

## \*Key Metrics:

- ❖ Portfolio has returned **9.56%** since inception (12-30-2011, Annualized)
- ❖ **YTD** Return of **17.25%**
- ❖ Trailing 1 year return of **20.25%**



# FX2 Benchmarked Performance

Time Weighted Return Comparison



- ❖ Our return since inception (*annualized*) has far surpassed those provided by indices of similar composition\*\*\*

# Key Features of an FX2 Account

- ❖ No pooled investments; as a retail client with a **segregated** account you are in a much cleaner investment environment (*the tax implications of the investor match that of the account*)
  - Think of this as going for a swim in your own private pool as opposed to swimming in a public pool.
- ❖ **FX2** currently has a **low average maturity of 2-3 years** helps to aid in mitigating interest rate risk in a rising rate environment
- ❖ We find that **discretionary** accounts earn higher returns over time
- ❖ Well-diversified depending on the account/investment size
- ❖ Low average maturities help to mitigate interest rate risk and keep investments liquid
- ❖ We seek investment in firms demonstrating ample interest coverage on debt outstanding
- ❖ We focus investment on firms showing improving fundamentals in their core business such as:
  - Positive free cash flow, improved human capital, creating barriers to entry with long-term business model
- ❖ May be appropriate for Income-Seeking Investors who can accept moderate levels of risk and also seek opportunities for growth of principal

---

# Summary

- ❖ Lower Cost + Higher Returns = Higher Net Returns for our Clients
  - We are lower in cost than the average fiduciary at only 0.5% (annually)
- ❖ Our team leverages over 50 years of professional investment experience
  - We offer professional investment management with an emphasis on personalized service
- ❖ Short maturities allow us to keep investments liquid & help to minimize the effects of interest rate volatility in the markets
- ❖ \*Our historical returns have outperformed those of even our closest peer benchmarks
- ❖ Segregated Accounts; no pooled funding
- ❖ We strive to simplify the investing experience for our clients

---

# Investing in FX2

- ❖ Minimum Investment of **125k**
- ❖ Discretionary Management *only*
  - Low Annual fee of 0.5%
- ❖ No minimum investment period
- ❖ Custodied at TD Ameritrade

---

# Thank you



Registered Investment Advisor

11600 SW 69th Avenue  
Tigard, Oregon 97223

Toll Free: (877) 359-5319

Fax: (971) 732-5121

E-mail us at:

[Info@Durig.com](mailto:Info@Durig.com)

<http://durig.com/>

Find us on the web at: [fixed-income2.com](http://fixed-income2.com)

# References

1. [HTTPS://STATIC1.SQUARESPACE.COM/STATIC/565A38E3E4B02FBB0A42AE86/T/5676A0CEAI28E6372FA7C59E/1450614990872/GRAMERCY++OVERVIEW+OF+DISTRESSED+DEBT+INVESTING.PDF](https://static1.squarespace.com/static/565a38e3e4b02fbb0a42ae86/t/5676a0ceai28e6372fa7c59e/1450614990872/GRAMERCY++OVERVIEW+OF+DISTRESSED+DEBT+INVESTING.PDF)
2. [HTTP://AWEALTHOFCOMMONSENSE.COM/2015/12/STOCKS-VS-JUNK-BONDS/](http://awealthofcommonsense.com/2015/12/stocks-vs-junk-bonds/) DISTRESSED DEBT GRAPH
3. [HTTPS://WWW.GOOGLE.COM/SEARCH?TBO=P&TBM=BKS&O=ISBN:0470557249](https://www.google.com/search?TBO=P&TBM=BKS&O=ISBN:0470557249) \* DISTRESSED > S&P BY 4%
4. [HTTPS://WWW.SCRIBD.COM/DOC/280937857/HOWARD-MARKS-IT-S-NOT-EASY#FULLSCREEN&FROM\\_EMBED](https://www.scribd.com/doc/280937857/Howard-Marks-It-s-Not-Easy#fullscreen&from_embed) HOWARD MARKS
5. [HTTP://WWW.REUTERS.COM/ARTICLE/US-GLOBAL-DEBT-IF-IF-IDUSKBN140IPO](http://www.reuters.com/article/us-global-debt-iff-idUSKBN140IPO) TOTAL GLOBAL DEBT
6. [HTTPS://WWW.THESTREET.COM/STORY/13155301/7-7-COMMON-ALTERNATIVE-INVESTMENTS-THAT-ALL-INVESTORS-SHOULD-KNOW.HTML](https://www.thestreet.com/story/13155301/7-7-common-alternative-investments-that-all-investors-should-know.html) 7 ALTERNATIVE INVESTMENTS
7. [HTTPS://WWW.THEGUARDIAN.COM/BUSINESS/2017/JAN/14/MOODYS-864M-PENALTY-FOR-RATINGS-IN-RUN-UP-TO-2008-FINANCIAL-CRISIS](https://www.theguardian.com/business/2017/jan/14/moodys-864m-penalty-for-ratings-in-run-up-to-2008-financial-crisis) MOODY'S, S&P'S SETTLEMENT
8. [HTTP://WWW.SIFMA.ORG/RESEARCH/STATISTICS.ASPX](http://www.sifma.org/research/statistics.aspx) US BOND MARKET STATISTICAL DATA
9. [HTTPS://WWW.BIZJOURNALS.COM/PORTLAND/STORIES/2000/09/11/STORY4.HTML](https://www.bizjournals.com/portland/stories/2000/09/11/story4.html) 524% RETURN YR 2000
10. [HTTPS://WWW.SEC.GOV/REPORTSPUBS/INVESTOR-PUBLICATIONS/INVESTORPUBSBANKRUPTHTM.HTML](https://www.sec.gov/reportspubs/investor-publications/investorpubsbankrupthtm.html) SEC ON BANKRUPTCY PRECEDINGS
11. [HTTPS://WWW.SEC.GOV/NEWS/EXTRA/CREDRATE/STANDARDPOORS.HTM](https://www.sec.gov/news/extra/credrate/standardpoors.htm) ADDITIONAL SEC REPORT ON STANDARD & POOR'S CREDIT RATING POLICIES
12. [HTTPS://WWW.EVESTMENT.COM/WP-CONTENT/UPLOADS/2017/07/201706-HF-PERFORMANCE-REPORT.PDF](https://www.evestment.com/wp-content/uploads/2017/07/201706-HF-Performance-Report.pdf)
13. [HTTPS://WWW.EVESTMENT.COM/WP-CONTENT/UPLOADS/2017/07/201707-IMPACT-OF-STRATEGY-SIZE-NORTH-AMERICA-EDITION.PDF](https://www.evestment.com/wp-content/uploads/2017/07/201707-Impact-of-Strategy-Size-North-America-Edition.pdf)
14. [HTTP://FINANCE.ZACKS.COM/BOND-MARKET-SIZE-VS-STOCK-MARKET-SIZE-5863.HTML](http://finance.zacks.com/bond-market-size-vs-stock-market-size-5863.html) BOND MARKET VS. STOCK MARKET CAPITALIZATION
15. [HTTPS://WWW.GOOGLE.COM/URL?SA=T&RCT=I&Q=&SRC=S&SOURCE=WEB](https://www.google.com/url?sa=t&rct=i&q=&src=s&source=web) SIFMA
16. [HTTPS://WWW.THEGUARDIAN.COM/BUSINESS/2017/JAN/14/MOODYS-864M-PENALTY-FOR-RATINGS-IN-RUN-UP-TO-2008-FINANCIAL-CRISIS](https://www.theguardian.com/business/2017/jan/14/moodys-864m-penalty-for-ratings-in-run-up-to-2008-financial-crisis) MOODYS FINED/ SETTLEMENT OVER RATINGS, S&P SETTLEMENT
17. [HTTPS://WWW.BROOKINGS.EDU/ARTICLES/CREDIT-RATING-AGENCIES-IN-THE-CROSSHAIRS/](https://www.brookings.edu/articles/credit-rating-agencies-in-the-crosshairs/) CRITICISM OF CREDIT AGENCIES
18. [HEDGECO.NET](http://hedgeco.net)
19. [HTTP://WWW.MCKINSEY.COM/INDUSTRIES/PRIVATE-EQUITY-AND-PRINCIPAL-INVESTORS/OUR-INSIGHTS/MAPPING-GLOBAL-CAPITAL-MARKETS-2011](http://www.mckinsey.com/industries/private-equity-and-principal-investors/our-insights/mapping-global-capital-markets-2011) MCKINSEY REPORT
20. [HTTPS://EN.WIKIPEDIA.ORG/WIKI/BOND\\_MARKET](https://en.wikipedia.org/wiki/Bond_market) WIKI
21. [HTTP://MONEY.CNN.COM/NEWS/STORYSUPPLEMENT/ECONOMY/BAILOUTTRACKER/](http://money.cnn.com/news/stories/supplement/economy/bailouttracker/) BAILOUT DATA AIG,CITI
22. [HTTP://WWW.FOXNEWS.COM/OPINION/2009/03/26/GENERAL-ELECTRIC-WORST-BAILOUT-WORLD.HTML](http://www.foxnews.com/opinion/2009/03/26/general-electric-worst-bailout-world.html) BAILOUT DATA - GE
23. [HTTPS://EN.WIKIPEDIA.ORG/WIKI/CREDIT\\_RATING\\_AGENCIES\\_AND\\_THE\\_SUBPRIME\\_CRISIS](https://en.wikipedia.org/wiki/Credit_rating_agencies_and_the_subprime_crisis) RATINGS AGENCIES ROLE IN THE SUBPRIME LENDING CRISIS
24. [HTTPS://WWW.NYTIMES.COM/2017/05/05/BUSINESS/07GRETCHEN-MORGENSON-RATINGS-AGENCIES-MOODYS.HTML?MCUBZ=1](https://www.nytimes.com/2017/05/05/business/07gretchen-morgenson-ratings-agencies-moodys.html?mcubz=1) BROKEN PAY MODEL
25. [HTTP://WWW.STANDARDANDPOORS.COM/EN\\_US/DELEGATE/GETPDF](http://www.standardandpoors.com/en_US/delegate/getpdf) STANDARD & POOR'S RATING FEE DISCLOSURE
26. [HTTP://WWW.INVESTOPEDIA.COM/WALKTHROUGH/FUND-GUIDE/INTRODUCTION/1/MODERN-PORTFOLIO-THEORY-MPT.ASPX](http://www.investopedia.com/walkthrough/fund-guide/introduction/1/modern-portfolio-theory-mpt.aspx) MODERN PORTFOLIO THEORY
27. [HTTP://WWW.MIKEMILKEN.COM/QUOTES.TAF](http://www.mikemilken.com/quotes.taf) MICHAEL MILKEN
28. [HTTPS://EN.WIKIPEDIA.ORG/WIKI/MODERN\\_PORTFOLIO\\_THEORY](https://en.wikipedia.org/wiki/Modern_portfolio_theory) MPT WIKI
29. [HTTPS://EN.WIKIPEDIA.ORG/WIKI/DISTRESSED\\_SECURITIES](https://en.wikipedia.org/wiki/Distressed_securities) DISTRESSED SECURITIES WIKI
30. [HTTP://WWW.INVESTOPEDIA.COM/ASK/ANSWERS/05/COMPONENTSRISKPREMIUM.ASP?LGL=MYFINANCE-LAYOUT](http://www.investopedia.com/ask/answers/05/componentsriskpremium.asp?LGL=MYFINANCE-LAYOUT) RISK PREMIUM
31. [HTTP://WWW.EUREKAHEDGE.COM/RESEARCH/NEWS/1402/03DEC\\_ARCHIVE\\_DISTRESSED\\_SECURITIES](http://www.eurekahedge.com/research/news/1402/03dec_archive_distressed_securities) DISTRESSED LOW CORRELATION WITH MARKETS
32. [HTTP://WWW.MARKETWATCH.COM/STORY/WHY-WAY-FEWER-ACTIVELY-MANAGED-FUNDS-BEAT-THE-SP-THAN-WE-THOUGHT-2017-04-24](http://www.marketwatch.com/story/why-way-fewer-actively-managed-funds-beat-the-sp-than-we-thought-2017-04-24) EQUITY FUND MANAGERS UNABLE TO OUTPERFORM
33. [HTTPS://WWW.BARCLAYHEDGE.COM/RESEARCH/INDICES/GHS/DISTRESSED\\_SECURITIES\\_INDEX.HTML](https://www.barclayhedge.com/research/indices/ghs/distressed_securities_index.html) BARCLAY HEDGE DISTRESSED INDEX RETURNS
34. [HTTPS://WWW.BLOOMBERG.COM/QUOTE/SPX:IND](https://www.bloomberg.com/quote/SPX:IND) S&P RETURNS
35. [HTTP://PAGES.STERN.NYU.EDU/~ADAMODAR/NEW\\_HOME\\_PAGE/DATAFILE/HISTRETSP.HTML](http://pages.stern.nyu.edu/~adamodar/new_home_page/datafile/histretsp.html) MORE S&P RETURNS
36. [HTTPS://WWW.PIMCO.COM/HANDLERS/DISPLAYDOCUMENT.ASHX](https://www.pimco.com/handlers/displaydocument.ashx) BOND FUND MANAGERS OUTPERFORM S&P
37. [HTTPS://WWW.GURUFOCUS.COM/NEWS/227572/THE-20-MOST-IMPORTANT-THINGS-PROPOSED-BY-HOWARD-MARKS-PART-I-OF-IV-](https://www.gurufocus.com/news/227572/the-20-most-important-things-proposed-by-howard-marks-part-i-of-iv-) HOWARD MARKS BELOW INTRINSIC VALUE