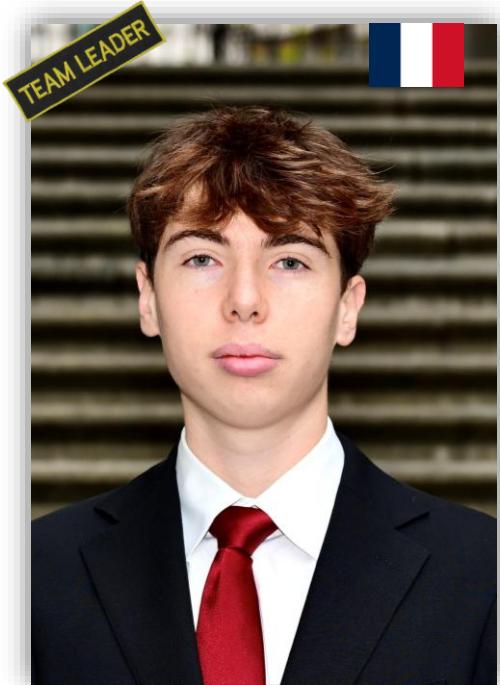


# Meet The Team



**Hugo Raffard**  
Bsc Accounting and Finance  
**Global Macro & Defensive Equities**

"Clients rarely applaud you for making money, but they never hesitate to judge you when you lose it."



**Murathan Berk Afacan**  
Bsc Accounting and Finance  
**Growth Equities & Event Driven**

"Markets don't rise together, capital rotates, and outperformance belongs to those who move with the flow of money."



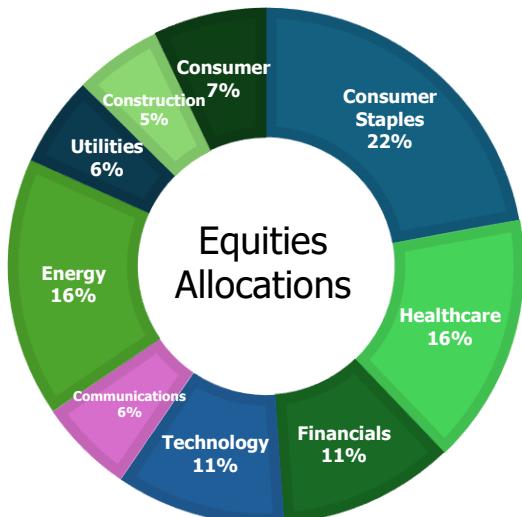
**Can Berk Ican**  
Bsc Economics and Management  
**Growth Equities & Fixed Income**

"Sustainable performance is built on small, repeated decisions done right."

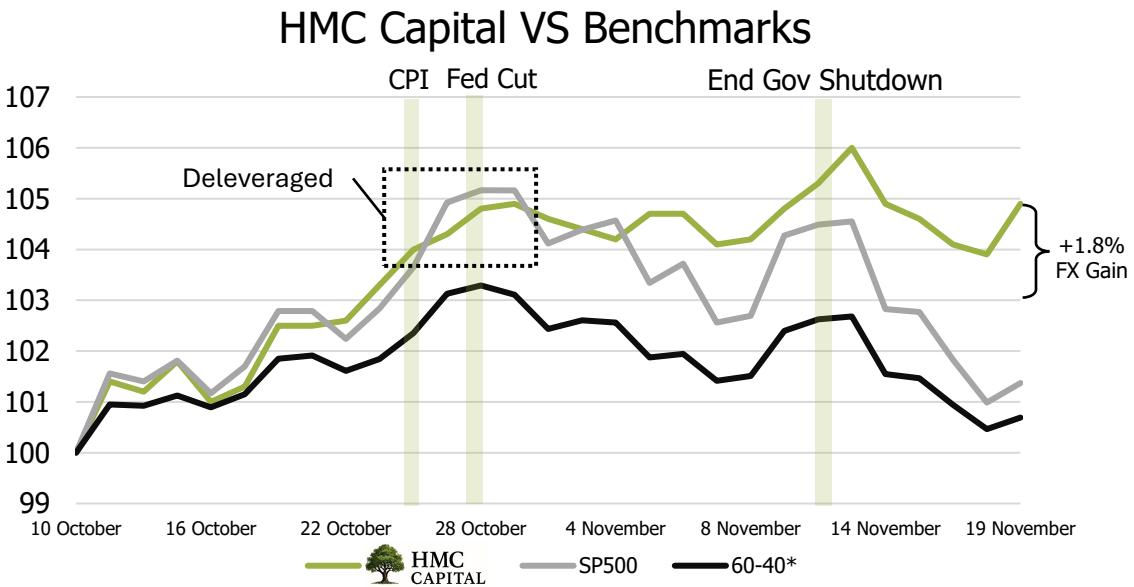
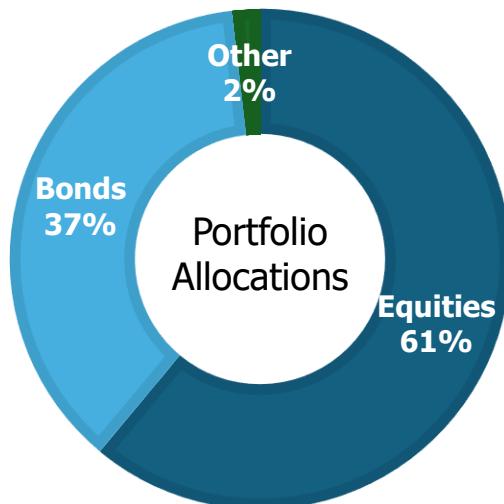
# Overview

At HMC Capital, our portfolio is aligned with our **macroeconomic outlook** of the market, predominantly U.S. focused.

Our strategy is to find **equities** which are either **undervalued** or going to have **future growth** driven by medium-term events (earnings, macro, announcements). All whilst aligning to the sectors which we are overweight depending on our macroeconomic outlook.



\*60% of S&P 500 & 40% of U.S. GOVT ETF



### Key Portfolio Benchmarks

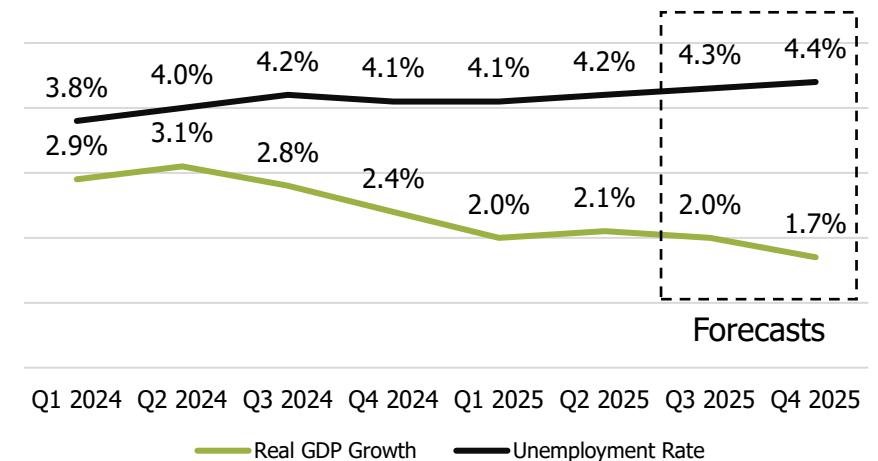
Total Return	<b>+4.86%</b>
Benchmark Return	+0.69%
Volatility	9.14%
Sharpe Ratio	<b>4.3**</b>
Sortino Ratio	<b>4.9**</b>
Beta	0.58
Max Daily Drawdown	-1.04%

\*\*Sharpe and Sortino calculated using daily ratios and multiplying them by  $\sqrt{252}$  to annualise them.

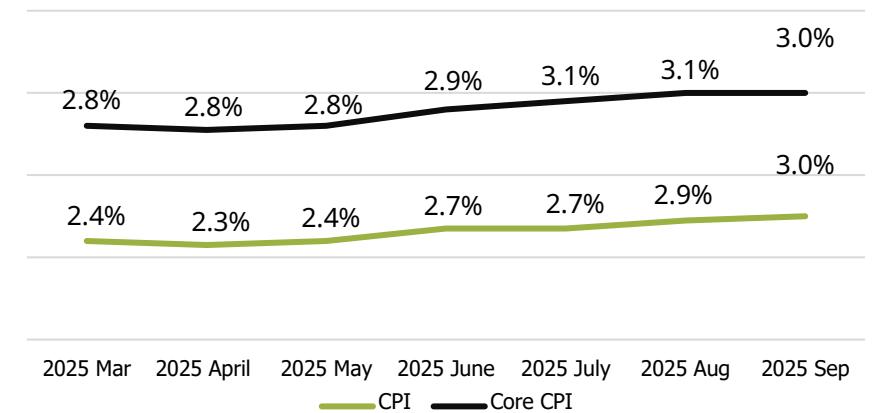
# Macroeconomic Outlook

- We believe that the U.S. has entered a **late cycle phase** of the business cycle.
  - ↳ GDP Growth Decreasing      Unemployment Rising      High CPI
  - Domestic Consumption Weakening      AI Crowding out Jobs
- The **tariffs** have caused cost push inflation whilst firms **compressing their margins** have kept official figures stable
  - ↳ Limiting CPI Upwards Trend      25 bps rate cut in October
  - Below expectation September CPI
- The Fed is in a **dilemma** between cutting rates to support growth whilst inflation has potential to soar.
  - ↳ Limiting Interest Rates Cuts      Stagflation ?      No October CPI
  - Trump pressuring to cut rates      US Debt/GDP +120%

Real U.S. GDP Growth & Unemployment (%)



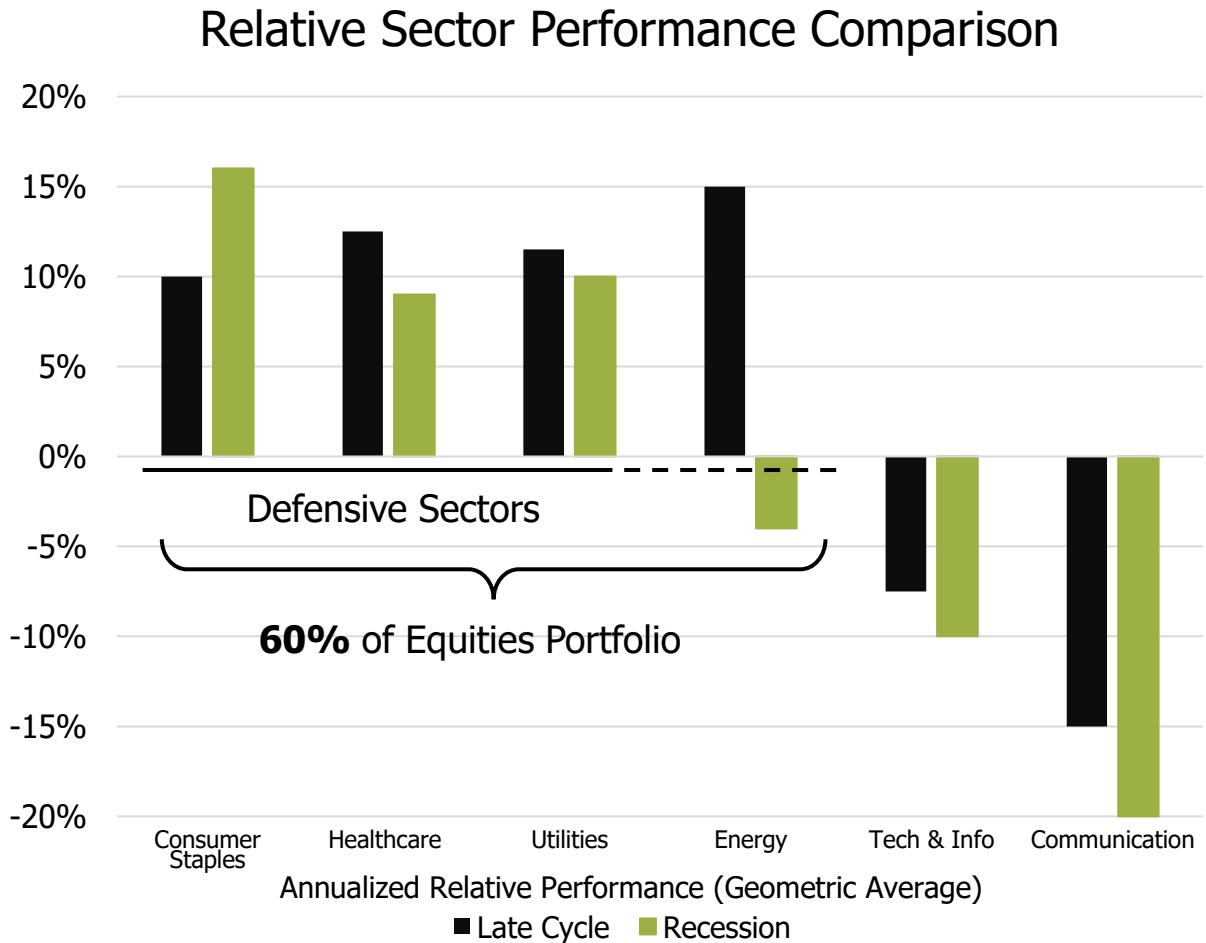
U.S. CPI & Core CPI (%)



Source: Bloomberg 2025  
Source: Trading Economics 2025

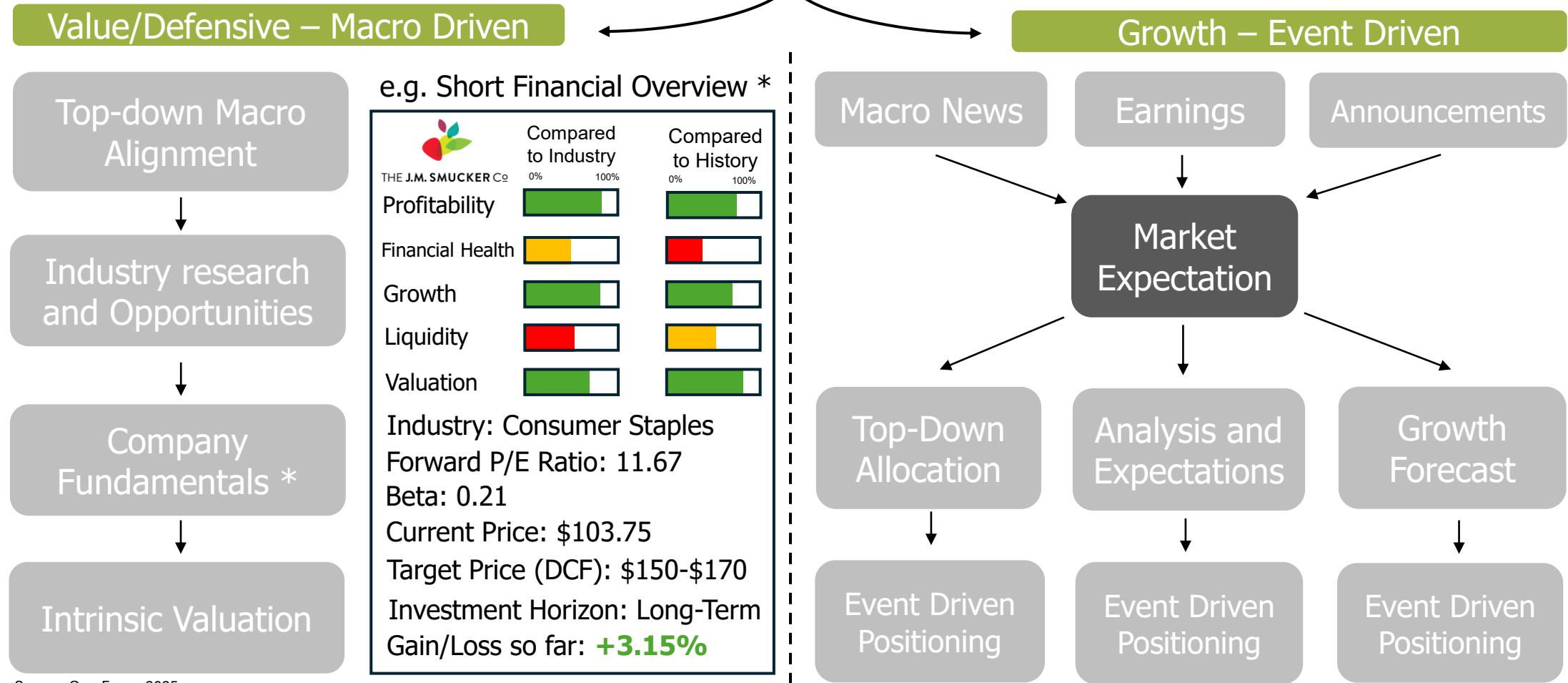
# Macroeconomic Allocations

- During a late-cycle/recessionary phase of the business cycle investors may redistribute their portfolios toward **defensive sectors**.
  - Consumer Staples
  - Healthcare
  - Utilities
- Defensive sectors are industries whose products or services are **non-discretionary**.
  - Non-discretionary implies that consumers buy them regardless of economic conditions
- Fidelity research published a study that analysed past performance from **1962 to 2020** in each stage of the business cycle.
  - Empirical data supports our portfolio allocation



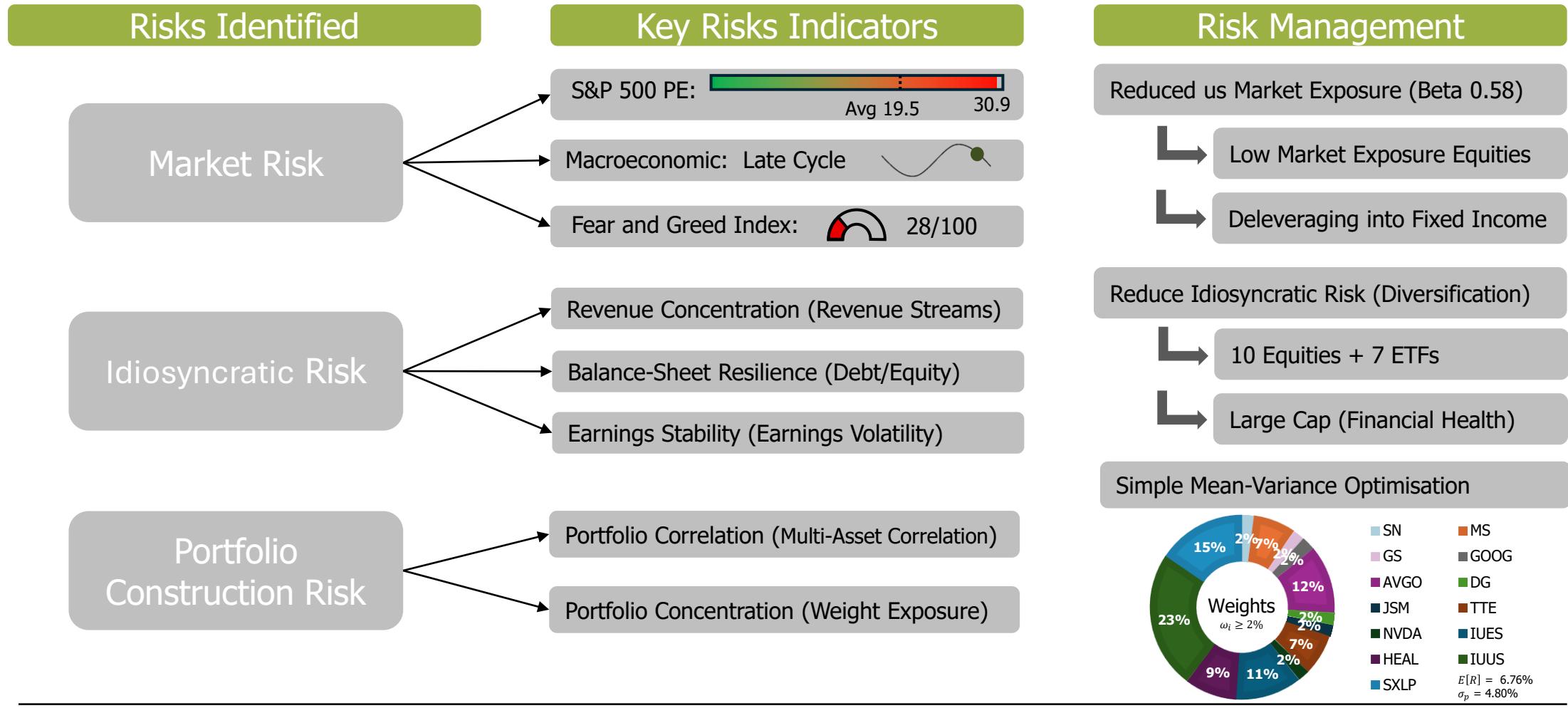
Source Fidelity 2021

# Methodology



Source: GuruFocus 2025

# Risk Management



# We are happy to take any questions

