

Coteau Conviction 20 Portfolio

Systematic Model Portfolio | Rebalance: Monthly / Rules-Based | Benchmark: S&P 500 (SPY) | A

ANNUALIZED RETURN +18.4% vs S&P 500 (SPY) (+6.4% Alpha)	SHARPE RATIO 1.32x Risk-adjusted return efficienc	MAX DRAWDOWN -14.8% Historical peak-to-trough disc	ACTIVE POSITIONS 7 Holdings Top-5 concentration: 74.0%
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CONSTITUENT WEIGHTING & SLEEVE BREAKDOWN

TICKER	COMPANY / INSTRUMENT	SECTOR / SLEEVE	TARGET WEIGHT	CONVICTION ROLE
NVDA	NVIDIA Corp.	Semiconductors	18.00%	Top Conviction
MSFT	Microsoft Corp.	Software & Cloud	16.00%	Top Conviction
META	Meta Platforms	Internet & AI	14.00%	Top Conviction
AMZN	Amazon.com Inc.	Cloud & Retail	14.00%	Top Conviction
GOOGL	Alphabet Inc.	Search & AI	12.00%	Top Conviction
AVGO	Broadcom Inc.	AI Networking	12.00%	Top Conviction
LLY	Eli Lilly & Co.	Biopharma	14.00%	Top Conviction

Coteau Conviction 20 Portfolio - Construction & Execution

Position Sizing, Concentration Caps & Rebalance Discipline | Prepared Oct 25, 2026

SINGLE-NAME CAP 15.0% Max Trimmed at rebalance if drift	SECTOR CEILING 35.0% Max Prevents single-factor crowdin	REBALANCE CADENCE Monthly / Rules-Ba Rules-based turnover control	CASH / T-BILL FLOOR Dynamic 90-day US Treasury liquidity s
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WEIGHTING & POSITION-SIZING ARCHITECTURE

- Conviction-Weighted Core: Coteau Conviction 20 Portfolio weights constituents by composite quality, momentum durability, and inverse realized volatility rather than raw market-cap bloat.
- Drift & Rebalance Bands: Positions are reviewed on schedule and only traded when weight drift exceeds the threshold band, minimizing short-term capital gains and slippage.
- Drawdown & Liquidity Governance: Every constituent meets strict daily dollar-volume liquidity floors and balance-sheet coverage ratios.

IMPLEMENTATION & EXECUTION CHECKLIST

PORTFOLIO SIZE	EXECUTION METHOD	ORDER TYPE	REBALANCE TOLERANCE
\$10,000 - \$50,000	Fractional Shares / Core Sle	Market during 10:30-15:30 ET	+/-2.5% weight band
\$50,000 - \$250,000	Full Constituent Replication	Limit at Midpoint	+/-1.5% weight band
\$250,000+	Tax-Lot Optimized + T-Bill O	VWAP / Limit Staged	+/-1.0% weight band