

# BENA CAPITAL, LLC

April 18, 2025

*To all my Partners,*

*By now, all of you have received your individual monthly statements. If for any reason you have not, please contact me and I will be glad to resend it to you.*

***Well, it was a Tech Wreck followed by a March Madness!!***

Last month, the Bena Capital Fund ended down for March at -18.9%. Ending in a negative never feels good and leaves that ‘bitter taste in your mouth’. Throughout the years, we’ve had better months AND we’ve also had worse ones. Take a look at the chart below from the last four years (2021-2024). When the S&P 500 had its worst month (under Drawdown), see how the S&P 500 ended for that year. Plus, notice how the Bena Capital Fund ended for that same year!

## ***S&P 500 Top to Bottom***

Max intra-year drawdown vs end of year total returns  
(plus Bena Capital end of year return)

<b>Year</b>	<b>Drawdown</b>	<b>Total Return</b>	<b>Bena Capital Return</b>
2024	-8.5%	+23.31%	+24.95%
2023	-10.3%	+26.3%	+63.2%
2022	-25.4%	+18.1%	-11.9%
2021	-5.2%	+28.7%	+32.42%

Will it be the same for FY2025? I don’t know, maybe better OR maybe worse. But after doing this for many years, what I can say is that these months of down returns come and also go. It just makes the good ones (our positive returns) all so much more enjoyable. I wish I could tell you that it’s over for March, but as long as the ‘Tariff Wars’ are spotlighted in the news, the stock market hates uncertainty, and what businesses will have to adjust in prices and exporting is an uncertainty, the volatility may continue. What I can tell you is that when we end this Tariff War, the U.S. will be the better for it. I also believe we’re in a much better position economically than the European Union, China, or the other 70-plus countries with which Donald Trump is negotiating a better tariff position. Since after World War II, when the U.S. was so dominant with manufacturing, other countries have been adding tariffs on our (U.S.) goods and restricting our cars and manufacturing from being sold in their countries. Hopefully, when this Tariff War ends, we’ll have more abilities to sell our goods in countries as Europe, Japan, and yes, maybe even China!

## **The Bena Capital Fund ended:**

<u>FY2024</u>	<u>March</u>	<u>April 1<sup>st</sup>-18<sup>th</sup></u>
<b>+24.96%</b>	<b>-18.9%</b>	<b>+1.4%</b>

**FY2025**

***Bena Capital up months***

January

***Bena Capital down months***

February

March

***Market Corrections Are More Common Than You Think***

- Over the last 4 weeks, \$6 trillion of market capitalization has been sold off.
- Dow Jones had its worst week in March. 10-14<sup>th</sup> since June 2022
- S&P 500 had its worst week March 10-14<sup>th</sup> since March 2023
- Apple had its worst week March 10-14<sup>th</sup> since March 2020.
- On average, stocks experience a pullback/correction of over 5% over 3 times per year
- On average, stocks experience a pullback/correction of over 10% or more around once each year....***even in positive years!***
- It's important to remember, **we did not have a correction last year (FY2024)**

**S&P 500 Corrections**

(1950 to present)

**37%**

Market falls 0 to -5%

**15%**

Market falls -5% to -10%

**21%**

Markets fall -20% or more

Source: Investing.com

***The Rule of 10 Best Days***

The 10 best days of any calendar year make up the bulk of gains for that year.

In 2024, for instance, the S&P was up 23.31%,

But excluding the 10 best days of 2024, the S&P 500 was only up 4%!

**We at Bena Capital Fund were up +24.9%!!**

History has shown that some months are kinder than others to investors.

According to records spanning over 95 years, since 1929:

***Months with the biggest gains:***

January, April, July & December

***Months with the biggest losses:***

February, May, August, September

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***Billionaire Market Losses for last month***

<b>-\$132 B</b>	<b>-\$23.2 B</b>	<b>-\$22.5 B</b>	<b>-\$20.3 B</b>	<b>-\$20.1 B</b>	<b>-17.8 B</b>
Elon Musk (Tesla)	Larry Ellison (Oracle)	Jeff Bezos (Amazon)	Jenson Huang (Nvidia)	Michael Dell (Dell Computers)	Larry Page (Google)

Source: CNBC

***So what do we do?***

History reminds us that it has typically been better to ‘buy’ than ‘bail’.

We at Bena Capital Fund are playing the long game! By that I mean in two to three years from now, we really won’t remember did the Federal Reserve cut 2 or 3 times back in 2024? If markets drop for a month, or more, it may create a market correction which have occurred naturally throughout the years.

For all 24 corrections in the S&P 500 since W.W. II (1945), it took only 4 months to recover losses.

***Never let your emotions become your portfolio’s worst enemy.***

***So, how did we do?***

<b>For March:</b>		<b>1-year (12 month)</b>	
Dow Jones:	-5.18%	Dow Jones:	+ 3.06%
S&P 500:	-6.82%	S&P 500:	+ 2.78%
Nasdaq:	-9.18%	Nasdaq:	+ 1.32%
Berkshire Hathaway:	+2.029%	Berkshire Hathaway:	+24.24%
<b>Bena Capital Fund:</b>	<b>-18.9%</b>	<b>Bena Capital Fund:</b>	<b>- 0.17%</b>

***Some highlights of last month:***

- March’s non-farm payrolls were up 228K vs. 140K estimated
- March’s unemployment rate increased to 4.2% from February’s 4.1%
- March’s Average Hourly Wages (M/M): up +0.3% and Y/Y are up +3.8%
- Avg. FICO credit scores drop to 715

- Pres. Donald Trump is in excellent physical & mental health, according to WH physician on his annual physical
- Harvard University said this week that they would resist the Trump administration's demand to change its governance over campus antisemitism concerns
- UnitedHealth Group shares (which Bena Capital Fund owns) nosedived Thursday after earnings fell short of the Street's expectations, citing its Medicare business
- Netflix (which Bena Capital Fund owns) reported a record profit for the last quarter and beat its forecasts.

### ***Goldman Sachs' Core Inflation Outlook***

(excl. food & energy)

<b>2.8%</b>	<b>2.6%</b>	<b>3.0%</b>	<b>2.4%</b>	<b>2.1%</b>
1Q2025	2Q2025	3Q2025	4Q2025	1Q2026

Source: 3/31/2025

### ***Hourly Labor Costs for Auto Manufacturers***

<b>\$70</b>	<b>\$40</b>	<b>\$6</b>
United States	Canada	Mexico

Source: CNBC; 4/3/25

### ***March Jobs Report***

Where Are The Jobs?

Health Care	+54K
Social Assistance:	+24K
Retail:	+24K
Transportation/Warehousing:	+23K

Source: BLS

### ***Average FICO Credit Scores Drop to 715***

FICO reports that credit scores have dropped 1 point lower in April and 2 points from April of 2024.

FICO says the reason for the drop is that student loan deficiencies are now being reported

on credit reports.

Source: FICO; CNBC, 4/15/25

***U.S. Trade Deficit with China***

FY2024

**\$143.5 Billion**

Exports to China

**\$438.9 Billion**

Imports from China

**\$295.4 Billion**

U.S. Trade Deficit with China

Source: Office of the U.S. Trade Representative

***Reciprocity:***

Country	Tariffs Charged to U.S.	U.S. Reciprocal Tariff on that country
China	67%	34%
European Union	39%	20%
Vietnam	90%	46%
Taiwan	64%	32%
Japan	46%	24%
India	52%	26%
South Korea	50%	25%
Thailand	72%	36%
Switzerland	61%	31%
Malaysia	47%	24%
United Kingdom	10%	10%
South Africa	60%	30%
Brazil	10%	10%

Source: White House

***Illegal Immigrants on Medicaid***

**1.3 Million**

**\$6.5 Billion**

Cost to U.S. taxpayers

Source: D.O.G.E.; 4/6/25

***Govt. Benefits Received by Illegal Immigrants on Terror Watchlist:***

* Collecting Medicaid:	902
* Collecting Unemployment Insurance:	41
* Receiving Fed. Student Loans:	22

\* Receiving Tax Refunds:

409

Source: White House; 4/11/25

### ***Largest Countries of U.S. Debt***

(buying U.S. Treasuries from January 2025)

<b>\$1.1 Trillion</b>	<b>\$700 Billion</b>	<b>\$680 Billion</b>	<b>\$350 Billion</b>	<b>\$350 Billion</b>
Japan	China	U.K.	Canada	France

Source: CNBC; 4/8/25

### **The S&P Rises 3 out of 4 years since 1926!**

The S&P is up approx. 75% of the time, going all the way back for almost 100 years!  
(since 1926)

<b><i>S&amp;P</i></b>	<b><i>% advance each year</i></b>
20%+	36%
+10% to +20%	21%
0 to +10%	15%
0 to -10% decline	15%
10%+ decline	13%

Source: Dimensional Funds

### ***Breakdown of the S&P 500 stocks:***

Dispersion of returns for 2024

<b>Stocks in the S&amp;P</b>	<b>Gain/Loss</b>
Up 50% or more	53
Up 20% or more	126
Up 0-10%	158
Down 0-10%	113
Down 10% or more	51

Source: CNBC

### ***Tax Revenues Before and After 2017 Trump Tax Cuts***

**\$3.31 Trillion**

**\$4.89 Trillion**

FY2017 Receipts

FY2022 Receipts

**+47.73%**

Percentage increase in Revenue

Source: Congressional Budget Office

***Who pays the most in federal income taxes?***

Income group (percentile)	Tax rate paid
Top 1%	47%
Top 10%	72%
Top 50%	98%
Bottom 50%	-2.2%

Source: non-partisan Joint Committee on Taxation

***Have you moved?***

If you have moved or a change of address to where your 1099s should be sent, please contact me with the new information.