

# Paramount Capital

Paramount Capital  
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Dear Investor,


As we commence 2021, we find ourselves reflecting on challenges that were unimaginable just twelve months ago. The 2020 stock market crash, also referred to as the “Coronavirus Crash”, was a major and sudden global stock market crash that began on February 20, 2020 and ended on 7 April.

Between Feb. 12 and March 23, the Dow lost a stunning 37% of its value. On March 16, alone, the Dow plummeted nearly 3,000 points, losing 12.9%, as investors worried about the prospect of economic destruction wrought by COVID-19. The drop in stock prices was so large and so swift that it triggered multiple trading halts that day. In fact, the New York Stock Exchange suspended trading several times during those days.

The worst-hit stocks were those affected by the travel restrictions, such as cruise lines, air carriers and energy companies. United Airlines stock fell to \$24 in March after selling for \$86 a share on Jan. 1. Volatility surged during that time period and swings in volatility and vix-related products were unprecedented.

In retrospect, we at **Paramount Capital** are extremely proud of our first year trading results as a start-up hedge fund during one of the most turbulent and challenging markets in the history of the stock market. **To date, we boast a TRADING RETURN OF 137.93% SINCE LAUNCH IN FEBRUARY 2020. OUR STARTING NET ASSET VALUE (NAV) WAS \$20 AND IS NOW \$47.59.**

We have diversified our trading strategies to not only include vix-related Exchange Traded Products (ETPs) but to also include, but not limited to, trading/investing in Renewable/Alternative/Green Energy equity positions as well as ETFs.



Renewable energy stocks have had a great end of year in 2020, not because they've had outstanding growth or earnings, but because investors are speculating that the future will be very bright. The Biden administration will likely bring more favorable policies, low interest rates have been like rocket fuel for financing wind and solar projects, and even big corporate buyers are seeing that there's a financial benefit of going renewable, along with the Public Relations boost.

The global economy is also slowly switching power sources, pivoting away from greenhouse-gas-emitting fossil fuels toward cleaner and renewable alternatives. These green energy sources include: Wind, Solar, Hydro, Biomass, Geothermal, Ocean waves and currents, and Green hydrogen.

There are a few stocks in this sector that have caught our attention such as GEVO, Inc. (NASDAQ:GEVO), SunPower (NASDAQ:SPWR), and Ocean Power Technologies, Inc. (NASDAQ:OPTT).

We believe that this transition to clean renewable energy will take trillions of dollars and many decades to complete. However, it has the potential to yield investors a high rate of capital return.

We value our clients with absolute highest regard and we look forward to another bright, successful year at Paramount Capital.

Sincerely,

Paramount Capital LLC  
General Partner and Investment Manager  
Robert DeAveiro, Chris Meek  
[www.paramountcapital.net](http://www.paramountcapital.net)