

# Performance Update

January 2018 **Legends Fund +2.41%**

## Legends Fund Performance

Legends Fund had a strong start to the year, up 2.4%. Gains were carried broadly across the portfolio. We were especially pleased that our Global Macro managers made a strong contribution driven by the pickup in interest rate volatility. They should continue to do well as we see financial conditions tightening.

The month of February has started as a mirror image of January, with steep corrections and a vicious return of volatility in equity markets. We do embrace volatility in markets. While it can hurt some of our managers in the short run, it creates the opportunities for longer term outperformance. And whenever markets are being driven by fear (or greed for that matter) we take comfort in having the world's most seasoned hedge fund managers as the stewards of the fund's capital.

## Results (%) per manager\* for January 2018



\* Managers that have a weighting of less than 5% due the building or exiting of a position are excluded.

## Results per Strategy

### Global Macro

One of December's top performers was Louis Bacon's **Moore Global Investments**. With a 10% weighting this global macro fund is an important component of Legends Fund and one we have held on to despite being a drag on performance for the last few years. Louis Bacon is one of the most successful macro traders in the world and we expect him to deliver a strong contribution in the tightening trajectory from the current ultra-loose towards more normal financial conditions. Fellow legendary macro trader Paul Tudor Jones even cited the Bible in his Feb 2nd investor letter, "to everything there is a season and a time to every purpose".

2018 could well be the time for big macro trades as the days of buy and hold may be numbered. Moore Global Investments returned 6.7% in January. Alan Howard's [Brevan Howard Fund](#) was another beneficiary of the return of interest rate volatility and returned 2.5% for the month. Pierre Andurand's [Andurand Commodity Fund](#) continued its strong run with a 5.2% gain in January and remains bullish on the price trajectory for oil. Robert Gibbins' [Autonomy Global Macro Fund](#) recorded more muted gains in January while Rob Citrone's [Discovery Global Opportunity Fund](#) was the one detractor in the strategy, losing 2% on certain credit longs and equity short positions. [Transtrend Omnitrend Plus](#) gained 7.44%, mainly driven by longs in equity markets.

## Long/Short Equity

John Armitage's [Egerton Long/Short Fund](#) had a strong start to the year with a 5.8% gain. Holdings in Charter, Activision Blizzard, Alibaba and Mastercard all booked double-digit gains. Peter Davies' [Lansdowne Developed Markets](#) posted a 0.3% loss. Strong returns from the fund's long book (with Amazon, Taiwan Semiconductor Manufacturing and JP Morgan Chase all contributing around 1%), were offset by losses on the short side.

## Relative Value, Quant & Credit

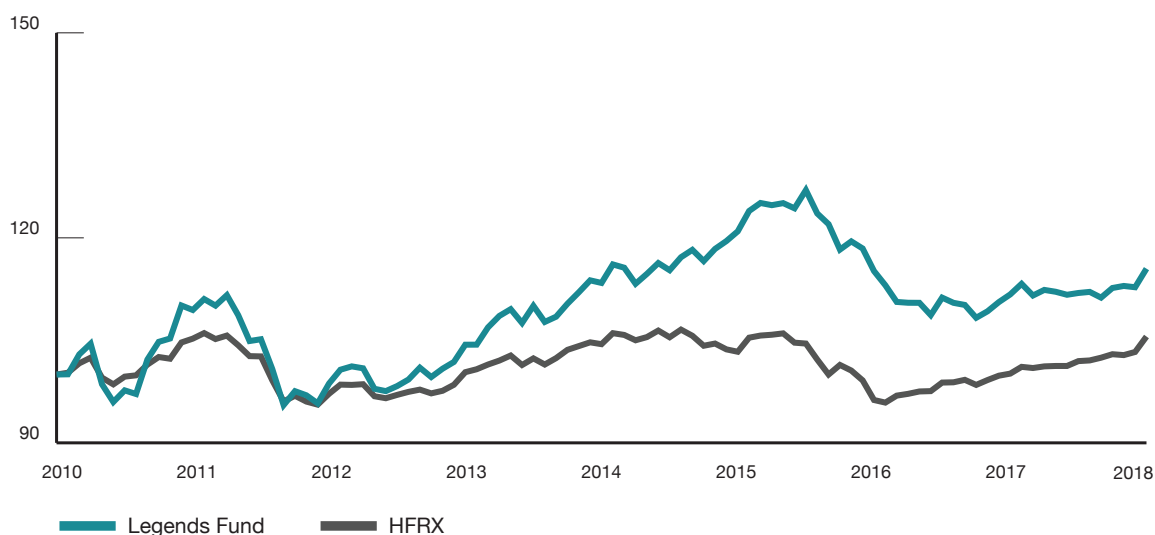
Izzy Englander's [Millennium International](#) gained 2.2% in January, its strongest start to a new year since 2009. Interestingly, in January 2009 the MSCI World Index actually dropped 9%, compared to the 6% gain this January. It speaks for Millennium's independence of the general market direction. The [Renaissance Institutional Equities Fund](#) gained 2% in January and the beta neutral [Renaissance Institutional Diversified Global Equities Fund](#) was down 0.4%. Both make up 5% of Legends Fund. Richard Deitz' [VR Global](#) booked a solid 1.4% gain in January with no significant events happening.

## Event Driven

Dan Loeb's [Third Point Ultra Fund](#) gained 5.5% in January. The two biggest contributors were his long-term holdings in Baxter International and Alibaba, both posting double-digit returns. Bill Ackman's [Pershing Square Holdings](#) started equally strong with a 5.7% gain. Most of this was driven by the announced USD 300m tender offer at levels markedly above current discounts to NAV. With the tender scheduled for April we expect the discount to shrink further. Larry Robbins' [Glenview Capital](#) was up 4% in January. Double-digit gains in several of its healthcare related names drove the strong result, most notably HCA, Thermo Fisher, Anthem and Abbvie.

Returns (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year	Index*
<b>2018</b>	2.41	-	-	-	-	-	-	-	-	-	-	-	<b>2.41</b>	<b>2.91</b>
<b>2017</b>	1.02	2.38	-1.51	0.74	-0.24	-0.39	0.23	0.14	-0.75	1.27	0.27	-0.17	<b>1.96</b>	<b>3.49</b>
<b>2016</b>	-2.78	-1.81	-2.16	-0.22	-0.01	-1.63	2.36	-0.68	-0.28	-1.71	0.88	1.23	<b>-6.63</b>	<b>0.70</b>
<b>2015</b>	1.19	2.46	0.95	-0.26	0.24	-0.61	2.14	-2.68	-1.27	-3.05	1.01	-0.87	<b>-0.90</b>	<b>-4.38</b>
<b>2014</b>	-0.33	2.39	-0.41	-2.03	1.28	1.37	-0.90	1.65	0.92	-1.39	1.53	0.99	<b>5.08</b>	<b>-0.98</b>
<b>2013</b>	2.47	0.01	2.41	1.57	0.91	-1.84	2.33	-2.14	0.72	1.75	1.51	1.56	<b>11.72</b>	<b>6.31</b>
<b>2012</b>	3.03	2.05	0.48	-0.27	-2.98	-0.34	0.75	0.98	1.74	-1.36	1.22	0.98	<b>6.33</b>	<b>3.05</b>
<b>2011</b>	-0.60	1.46	-0.86	1.39	-2.63	-3.48	0.25	-4.14	-5.23	2.12	-0.61	-1.22	<b>-13.01</b>	<b>-8.70</b>
<b>2010</b>	-	0.03	2.91	1.52	-5.67	-2.64	1.77	-0.54	5.19	2.53	0.47	4.58	<b>9.62</b>	<b>4.63</b>

\* HFRX Global Hedge Fund Index Hedged to EURO

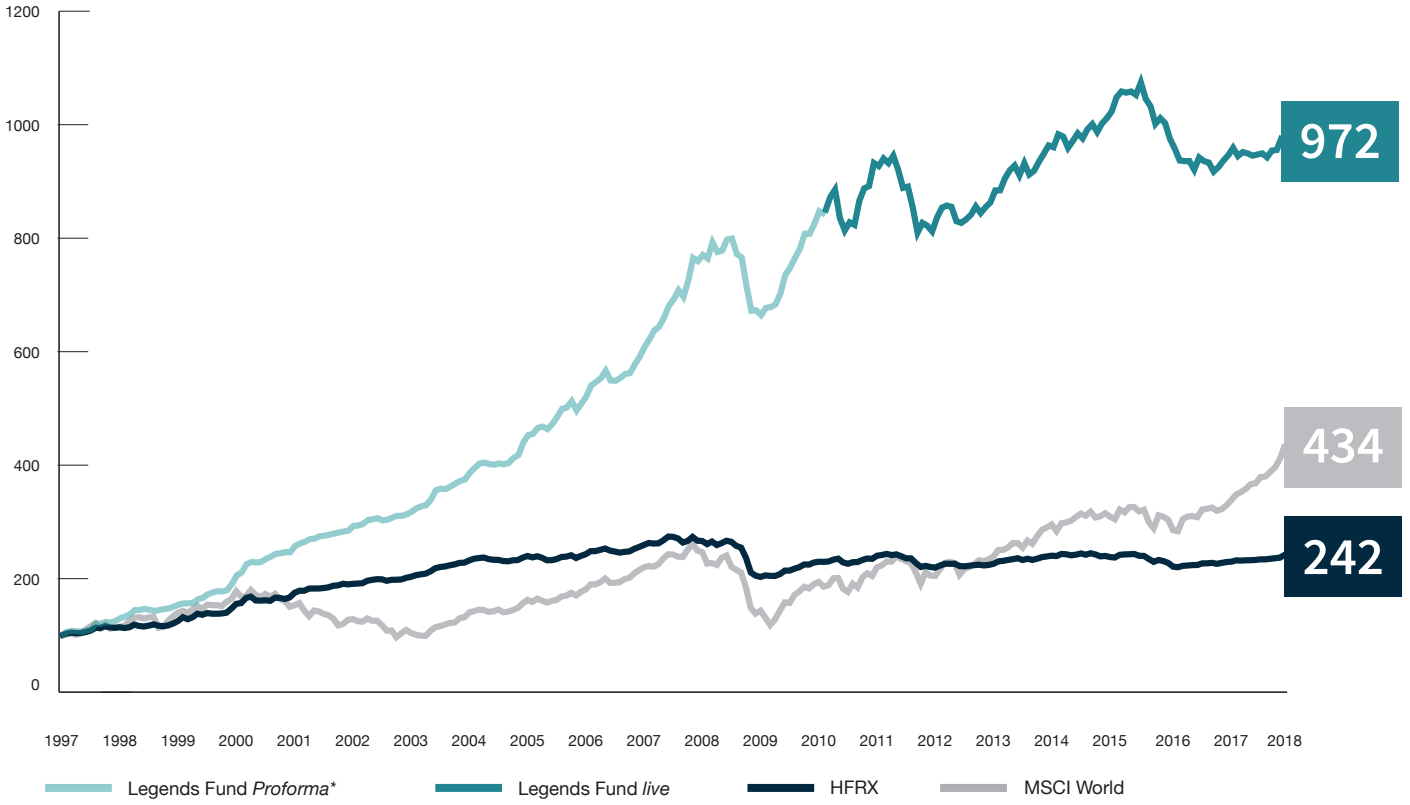


## Long Term Statistics (1997 – January 2018)

	Legends Fund*	HFRX Index	AEX Index	Govt. Bonds	MSCI World
Annual Return (%)	11.4	4.3	3.1	4.7	7.2
Annual Standard Deviation (%)	7.3	6.1	19.7	2.8	15.5
Sharpe Ratio	1.2	0.3	0.1	0.8	0.4
Maximum Loss (%)	-16.9	-25.9	-68.5	-3.4	-54.6
Beta to MSCI World	0.30	0.30	1.00	-	1.00

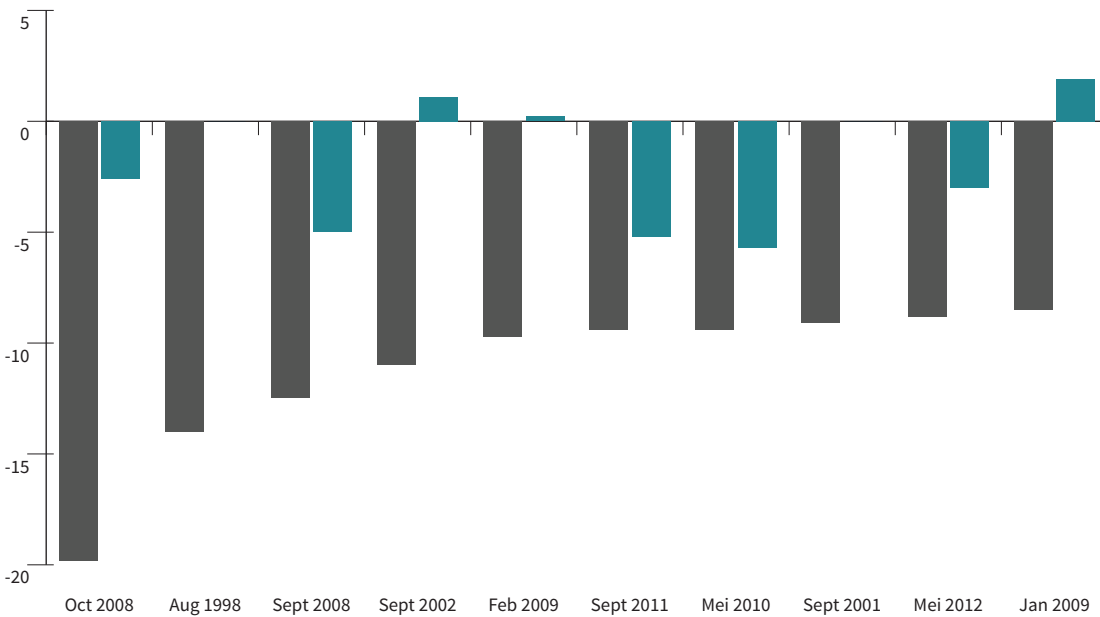
\* Until February 1, 2010, returns based on a pro-forma portfolio of Legends with current target weightings and net of Legends Fund fees. Live results from February 2010. Results prior to Feb 2010 are shown for illustrative purposes only.

The chart below shows the cumulative returns of the Legends portfolio since 1997.



\* Until February 1, 2010, returns based on a pro-forma portfolio of Legends with current target weightings and net of Legends Fund fees. Live results from February 2010. Results prior to Feb 2010 are shown for illustrative purposes only.

Performance of the Legends Fund portfolio in worst months for equity markets since 1997.



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## Fund Characteristics

Return Target	Euribor +5%
AuM	EUR 250 Million in strategy
Month-End NAV	EUR 100.39
Participations	366,554
Subscriptions	Daily, through stock exchange
Redemptions	Daily, through stock exchange
Direct Fund Dealings	Daily subscriptions, monthly redemptions with 90 days notice
Management Fee	0.625%
Performance Fee	5% with High Watermark
Subscription Fee	0%
Redemption Fee	0%
Currency	EUR
ISIN Code	NL0009692839

## About Legends Fund

Legends Fund offers unique access to some of the world's most renowned money managers. The underlying funds are mostly closed to new investors or require multi-million dollar minimums. Through its industry network and long standing history with these managers Legends Fund makes this unique investment talent accessible to all investors. Through its listing at Euronext Amsterdam, Legends Fund can be bought and sold on a daily basis without a minimum investment amount.

Legends Fund is managed by the hedge fund specialists of Theta Capital Management. Established in 2001, Theta Capital Management is one of the oldest and largest independent Dutch Alternative Asset Managers. Since its creation, Theta has been exclusively focused on managing portfolios of hedge funds for both private and institutional clients. Management and shareholders of Theta Capital are among the largest investors in Legends.