

# Performance Update

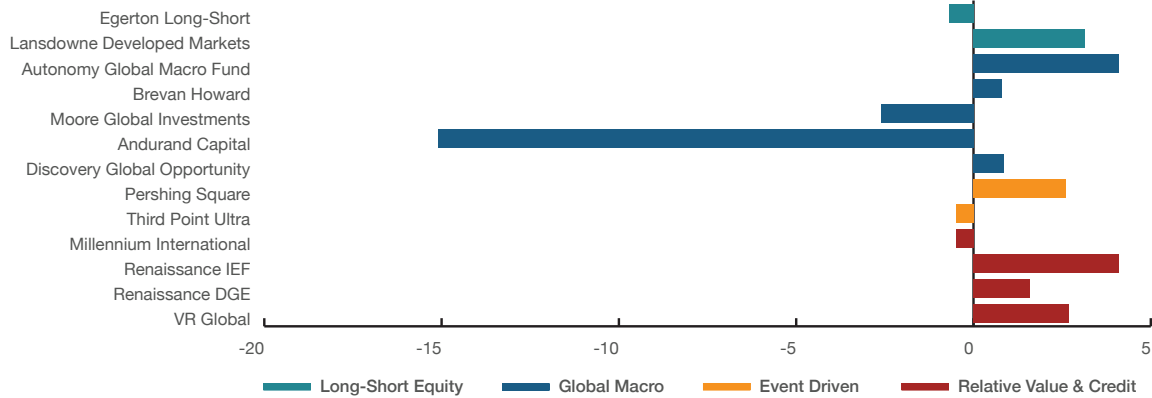
July 2018 **Legends Fund -0.14%**

## Legends Fund Performance

Legends Fund posted a small loss in July of -0.14%. Despite the flattish result there were some significant moves at the underlying manager level. Renaissance, Autonomy, Lansdowne and VR Global performed strongly, while especially Andurand Capital detracted meaningfully.

We continue to see increasing dispersion in markets, boosting our outlook for hedge fund strategies.

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



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

## Registration is open - Legends4Legends 2018

On Thursday, October 18th Theta Capital together with Alternatives4Children will organize the third Legends4Legends conference in Amsterdam. After two highly successful events with an unparalleled line-up of hedge fund managers, we look forward to revealing the speakers for this year's event over the coming months.



Please visit our event website [www.legends4legends.org](http://www.legends4legends.org) for more information. Registration is now open.

## Results per Strategy

### Long-Short Equity

Pete Davies' **Lansdowne Developed Markets** had a very strong month on the long side of the book, with gains on invested capital of over 7%. The short-book detracted close to 4% for an overall return of 3.1% for the month. Large long positions in Delta Airlines, JP Morgan and Alphabet were all up around 10% for the month. John Armitage's **Egerton Long-Short Fund** lost 0.7%. Twenty-first Century Fox was the main detractor and gains in Microsoft, Alphabet and Bank of America were not sufficient to offset. The fund remains up 5% year-to-date.

### Event Driven

Bill Ackman's **Pershing Square Holdings** gained 2.6% in July driven by gains in Restaurant Brands, United Technologies, Mondelez and Platform Specialty Products. The monthly gain was achieved despite the discount to NAV widening from 21.5% to 22.5%. [Here is a link](#) to Ackman's letter to investors discussing the strong H1 2018 results. Dan Loeb's **Third Point Ultra Fund** had an uneventful month, down 0.5%, with no meaningful gains nor losses. Loeb's view on the economic backdrop remains robust, with US growth continuing to be buoyed through the fiscal stimulus impulse, stable inflation and companies and consumers in good shape. He believes US equities are not expensive as the risk of a recession in the next year remains low, albeit with the caveat that the Fed could kill the patient if they move too aggressively.

### Global Macro

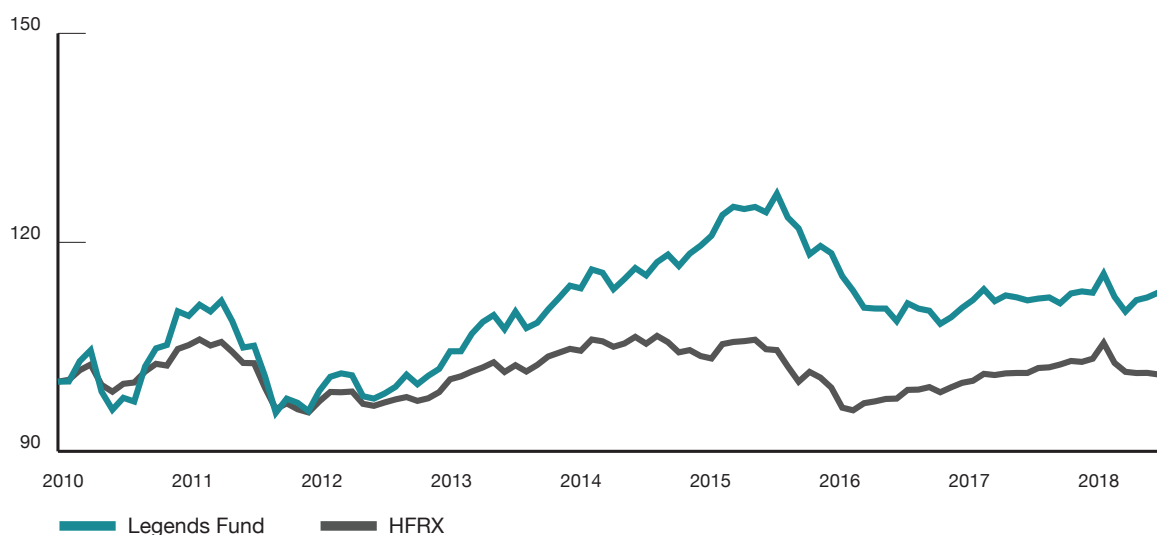
Robert Gibbins' **Autonomy Global Macro Fund** gained 4.1% in July and is up over 10% year-to-date, a great accomplishment given the difficult emerging markets backdrop. In July gains came from positions in Brazilian rates, long the Mexican Peso, Short the Chinese Yuan and sovereign debt positions in Argentina. We expect the opportunity set in emerging markets only to improve as the contagion from the turmoil in Turkey is causing dislocations elsewhere. Pierre Andurand's **Andurand Commodity Fund** was by far the biggest detractor in July. The fund lost 15% as oil prices fell sharply. We have been discussing Andurand's bullish view on oil and recent market moves have not deterred him from sticking to his outlook. With his conviction level very high, he has been upfront to investors to expect big mark-to-market moves and while it is hurting in July, we have no doubt that he will do very well if his thesis bears true. Over the past 12 months the fund is still up 17% despite the large loss in July. Given the clear return of dispersion in markets we decided to pull our redemption for Alan Howard's **Brevan Howard Fund** and to pull most of our redemption for Rob Citrone's **Discovery Global Opportunity Fund**. We expect both of these managers to do very well if this trend continues. So far this has been confirmed. Both managers were up in July, but are especially doing well in August with the situation in Turkey getting out of hand. Louis Bacon's **Moore Global Investments** was down 2.6% in July. The main detractor was an equity position of the fund in GDS holdings that came under attack of a short-seller. Moore's risk is relatively equally divided over fixed income, developed market equities and currency markets.

### Relative Value, Quant & Credit

The **Renaissance Institutional Equities Fund (RIEF)** gained 4.2% in July, bringing its year-to-date performance to 5.6%. The **Renaissance Institutional Diversified Global Fund (RIDGE)** gained 1.6%, and 5.0% for the year. The main difference between the two funds is that RIEF has a net long exposure and an expected beta of 0.4 while RIDGE's equity market beta runs at 0.0. Strong equity markets in July therefore explain the performance difference between the two funds. Richard Deitz' **VR Global** gained 2.7% in July, mainly the result of a rebound in the fund's positions in Argentina. Izzy Englander's **Millennium International** lastly lost 0.5% in July which was its first losing month this year.

Returns (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year	Index*
<b>2018</b>	2.41	-2.87	-1.88	1.48	0.35	0.62	-0.14	-	-	-	-	-	<b>-0.12</b>	<b>-2.46</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

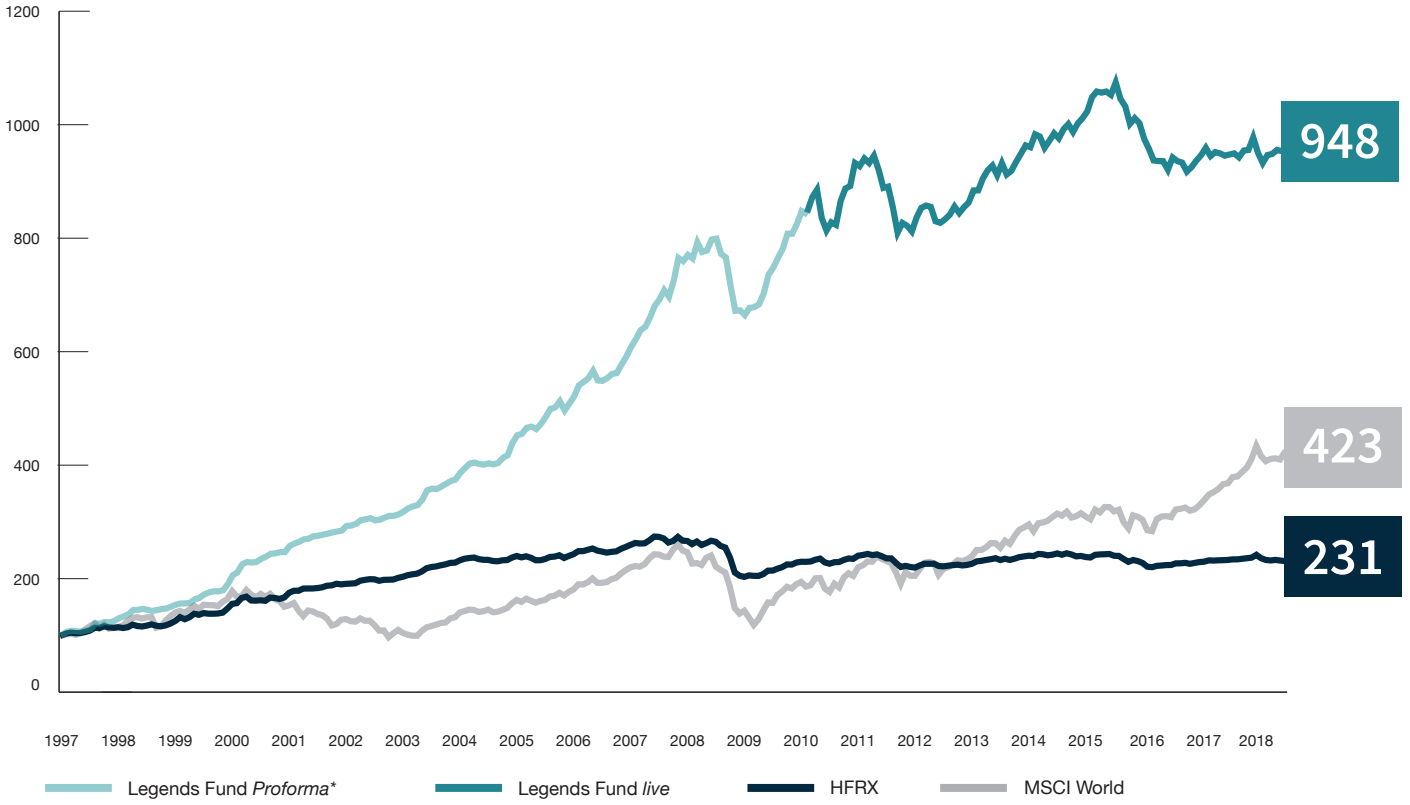


## Long Term Statistics (1997 – July 2018)

	Legends Fund*	HFRX Index	AEX Index	Govt. Bonds	MSCI World
Annual Return (%)	11.0	3.9	3.1	4.6	6.9
Annual Standard Deviation (%)	7.3	6.1	19.5	2.8	15.4
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

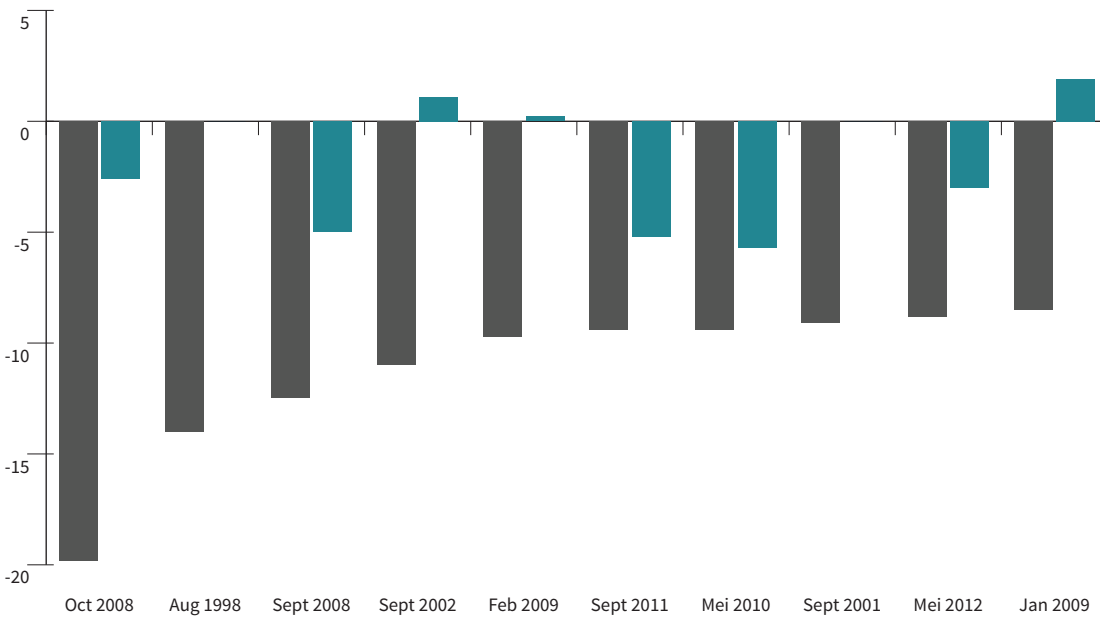
\* Until February 1, 2010, returns based on a pro-forma portfolio of Legends with current target weightings and net of Legends Fund fees. Live results from February 2010. Results prior to Feb 2010 are shown for illustrative purposes only.

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.



\* 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.

## Fund Characteristics

Return Target	Euribor +5%
AuM	EUR 250 Million in strategy
Month-End NAV	EUR 97.91
Participations	368,251
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.