

In three days the Legends4Legends conference takes place in the EYE Filmmuseum in Amsterdam. We still have room for some participants to register and hear from legendary investors like Sir Michael Hintze, Mark Mobius and Dan Morehead. See the full agenda here, and the link to registration here.



New to the program are video contributions by Legends Fund managers Bill Ackman and Pierre Andurand.

[www.legends4legends.org](http://www.legends4legends.org)



# Performance Update

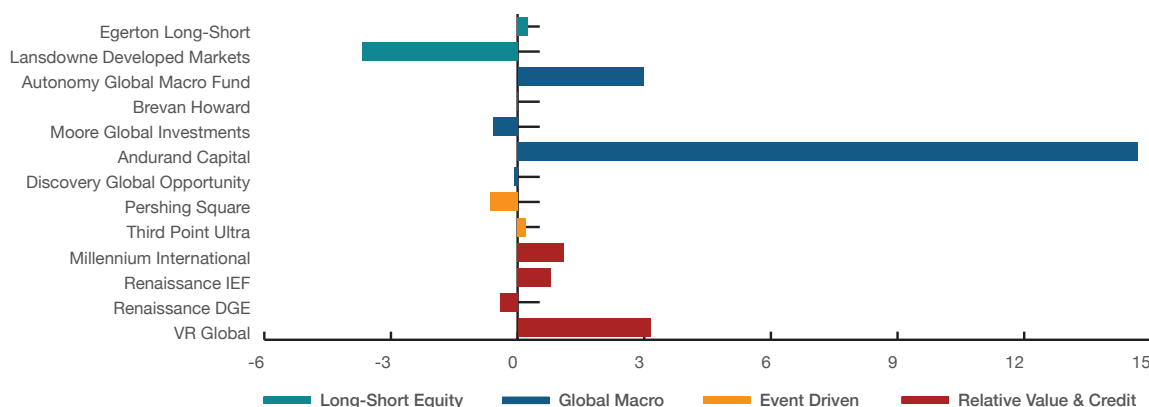
September 2018 **Legends Fund 0.14%**

## Legends Fund Performance

Legends Fund gained 0.14% in September. There is an important transition occurring in markets. Over the past ten-year period the U.S. Fed, ECB and other central banks have engaged in substantial quantitative easing monetary policy in the form of low to zero interest rates and security purchases. The magnitude of asset purchases conducted as a means to stabilize markets and foster expansion has been unprecedented. Over this past decade central banks have accounted for approximately \$12 trillion in additional liquidity in the means of government bond and other asset purchases. The direction of this liquidity stream is now transitioning from expansion to contraction and we are starting to observe the impact of this liquidity change.

We expect to see increased dispersion in markets, presenting attractive investment opportunities to our roster of long-short managers across asset classes.

### Results (%) per manager\* for September 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

Most of the action this month took place in the global macro bucket with Pierre Andurand's [Andurand Commodity Fund](#) gaining 15%. After struggling earlier in the year to capture the anticipated upswing in oil prices while adhering to a strict risk management framework, Andurand successfully capitalized on the large leg up in Brent prices in September. The manager expects oil prices to have considerable further room to run from here. Robert Gibbins' [Autonomy Global Macro Fund](#) also had a good September gaining 3% on contracting credit spreads in Argentina. Alan Howard's [Brevan Howard Fund](#) and Rob Citrone's [Discovery Global Opportunity Fund](#) were flat while Louis Bacon's [Moore Global Investments](#) was down 0.5%.

### Relative Value, Quant & Credit

Izzy Englander's [Millennium International](#) gained 1.1% in September bringing year-to-date gains to 8.3%. Each of the fund's strategy buckets has contributed to performance this year with Fundamental Equity, Stat Arb and Event Driven leading the charge. Richard Deitz' [VR Global](#) gained 3.2% in September profiting from the return of some calmness to Argentinian markets. [The Renaissance Institutional Equities Fund \(RIEF\)](#) gained 0.9% while the [Renaissance Institutional Diversified Global Fund \(RIDGE\)](#) lost 0.4% in September.

### Long-Short Equity

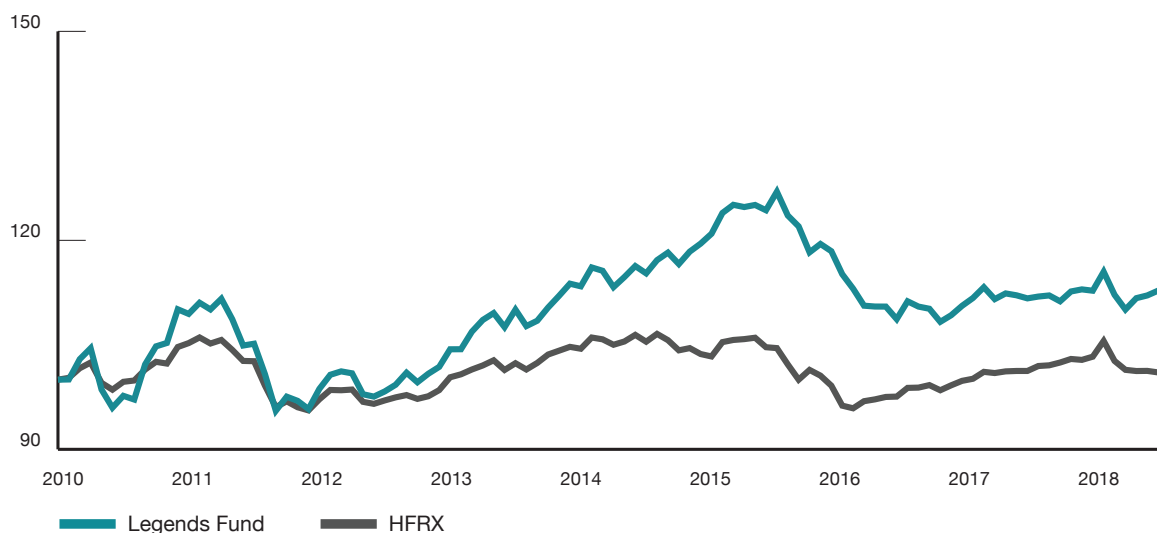
Peter Davies' [Lansdowne Developed Markets](#) 3.8% loss largely stemmed from longs in financials and consumer stocks. German Vonovia and UK Ocada Group were the main detractors while gains came mostly from the short book. John Armitage's [Egerton Long-Short Fund](#) fared better and posted a small gain. Union Pacific Corp, Safran and Activision Blizzard were some of the biggest contributors.

### Event Driven

Bill Ackman's [Pershing Square Holdings](#) gave back 0.6% in September, but remains up 12% year-to-date. Post month-end Ackman announced that the fund has been building a large new position in Starbucks at an average price of \$51 a share. Dan Loeb's [Third Point Ultra](#) had another flat month with a small 0.2% gain.

| 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 | -0.49 | 0.14  | -     | -     | -     | <b>-0.47</b>  | <b>-3.63</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

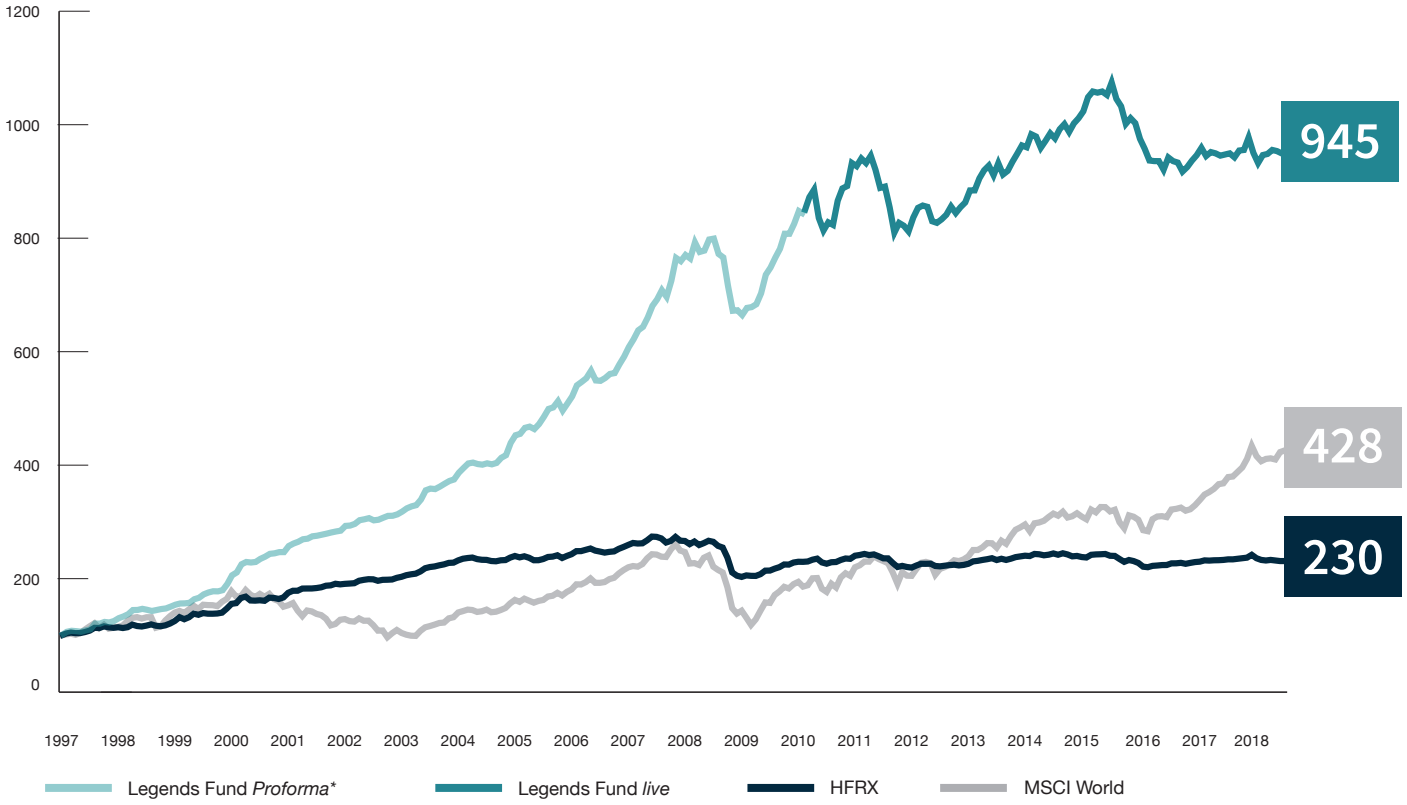


## Long Term Statistics (1997 – September 2018)

|                               | Legends Fund* | HFRX Index | AEX Index | Govt. Bonds | MSCI World |
|-------------------------------|---------------|------------|-----------|-------------|------------|
| Annual Return (%)             | 10.9          | 3.9        | 2.9       | 4.6         | 6.9        |
| Annual Standard Deviation (%) | 7.3           | 6.1        | 19.4      | 2.8         | 15.4       |
| Sharpe Ratio                  | 1.2           | 0.3        | 0.1       | 0.7         | 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       |

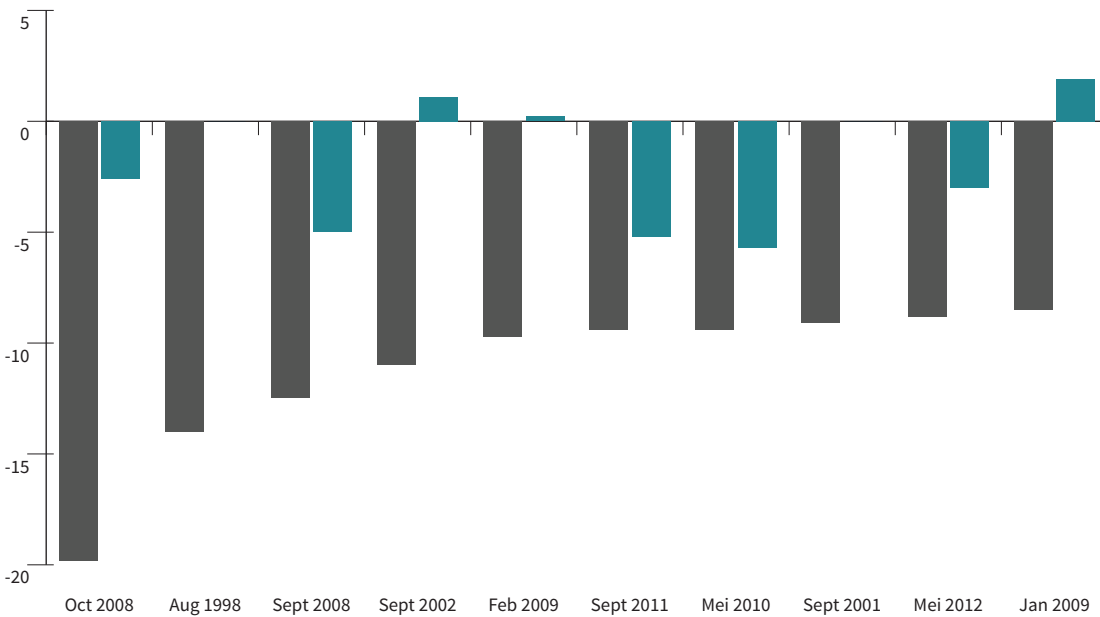
\* Until February 1, 2010, returns based on a pro-forma portfolio of Legends with current target weightings and net of Legends Fund fees. Live results from February 2010. Results prior to Feb 2010 are shown for illustrative purposes only.

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 97.57  |
| Participations       | 364,251  |
| 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.