

# Performance Update

May 2021 **Legends Fund -3.91% | YTD 39.79%**

## Legends Fund Performance

Legends Fund lost 3.91% in May, bringing the year-to-date performance to +39.79%. The reference HFRX Global Hedge Fund Index (EUR) was +0.31% and +2.90% year-to-date.

After hitting +45.47% year-to-date performance in April, it is perhaps unsurprising that Theta Legends Fund took a pause for breath. The inevitable volatility in the blockchain space, meant that the main movement the Legends fund saw was in its holding in Pantera, which after a +463% 4 month run is now “only” at +294% ytd. We do however feel we are still in the very early throes of seeing the full potential of blockchain technology and view our investments in the space as long term. It is noteworthy that after seeing our portfolio companies Point 72, Millennium and Third Point disclosing initial positions in crypto currencies, macro legend Alan Howard of Brevan Howard has now also disclosed active holdings in crypto.

Away from the blockchain space, the main talking point in May for both equity and fixed income hedge funds remained inflation and the lingering question if this will be transitory or turn into something more stubborn and therefore necessitate central bank action. The continued vaccine rollout and substantial fiscal support led to some eye-popping macro numbers as the economy continued its path towards re-opening. In the US, headline inflation for April was +4.2% year on year, but especially a month-on-month rise of +0.8% was well above expectation. A similar trend was seen in for instance the UK, which showed a 9.0% month-on-month rise in retail sales for April, with clothing sales up a whopping 70% vs the prior month (this trend definitely wasn't discernable in the Theta offices...).

In this context it is worth highlighting Pershing Square, which is reaping the benefits of a timely inflation hedge. Between December 2020 and Feb 2021 \$157m of interest rate “swaptions” were purchased, the value of which have ballooned close to 3-fold since.

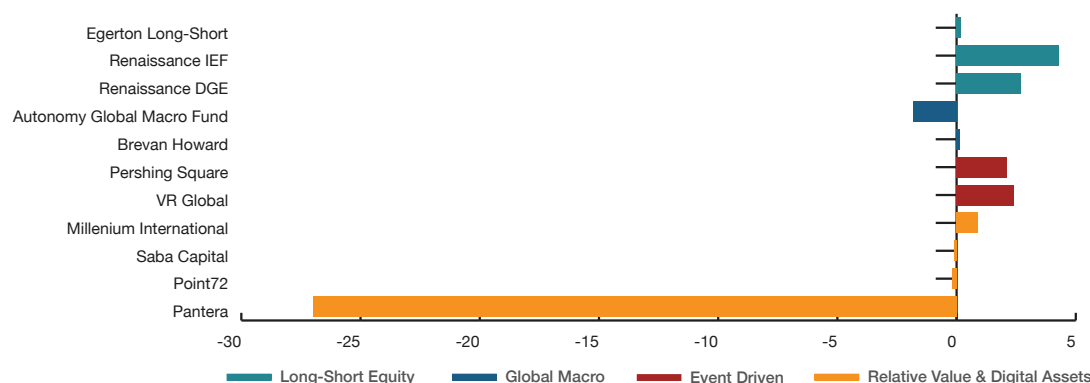
Despite the gyrations in inflation/interest rate expectations, markets continued their general trend upwards. With the exception of “growth” stocks, which continue to underperform “value”, all styles and markets were in positive territory in May, as were all major bond indices except Germany (in USD terms).

This was also expressed in volatility, with the VIX index continuing its trend downwards to sub 20 levels.

To hedge against potential complacency, we continue to like our exposure to Saba Capital, which is enthusiastically hedging tail risk by shorting junk (or close to junk) CDS and going long investment grade credit where CDS spreads have not come down as substantially since the covid outbreak.

M&A is also on a roll. Especially the media sector has been busy. After raising a c.\$4bn in a SPAC in October 2020, Pershing Square Tontine Holdings formally announced its intention to acquire 10% of Universal. Although the initial share price reaction was negative, the stock has since started to recover as the merits of the deal become clear.

## Results (%) per manager\* for May 2021



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

## Performance Summary per sub sector

### Long-Short Equity

**Point72 (Steve Cohen):** -0.2% in May, +1.3% YTD

**Egerton Long-Short Fund (John Armitage):** +0.2% in May, +6.5% YTD

**Renaissance Technologies (Jim Simons):** RIEF +4.3% in May, +5.0% YTD and RIDGE +2.7% in May, +2.1% YTD

### Global Macro

**Brevan Howard Fund (Alan Howard):** +0.2% in May, 2.3% YTD

**Autonomy Global Macro Fund:** -1.8% in May, -17.1% YTD

### Event Driven

**VR Global (Richard Deitz):** +2.4% in May, +8.6% YTD, while the **VR Argentina Recovery Fund II** gained 3.5%, and +4.6% YTD

**Pershing Square Holdings (Bill Ackman):** +2.1% in May, +9.7% YTD

### Relative Value & Digital Assets

**Millennium International (Izzy Englander):** +0.9%, +5.3% YTD

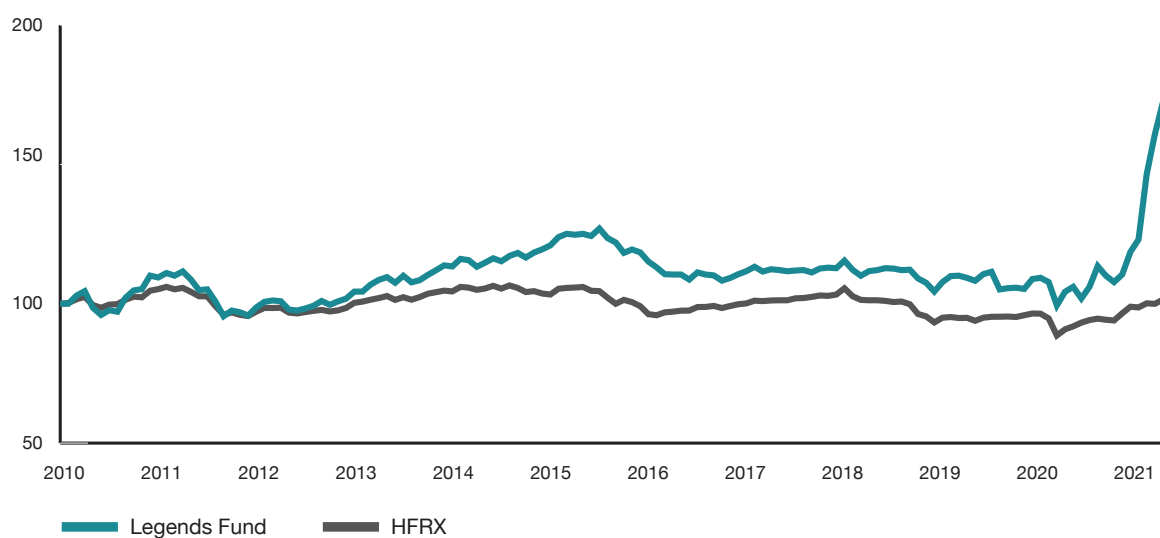
**Saba Capital Masterfund (Boaz Weinstein):** -0.1% in May, +4.0% YTD

**Pantera Early Stage Token Fund (Dan Morehead):** -27% in May, +294% YTD

Returns (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year	Index*
<b>2021</b>	3.78	19.06	9.79	7.24	-3.91	-	-	-	-	-	-	-	<b>39.79</b>	<b>2.90</b>
<b>2020</b>	0.41	-1.40	-7.76	4.91	1.70	2.35	4.11	+6.96	-3.02	-2.08	2.53	7.31	<b>16.04</b>	<b>3.00</b>
<b>2019</b>	3.25	1.99	0.15	-0.73	-0.95	2.20	0.76	-5.67	0.42	0.17	-0.41	3.36	<b>4.30</b>	<b>3.44</b>
<b>2018</b>	2.41	-2.87	-1.88	1.48	0.35	0.62	-0.14	-0.49	0.14	-2.79	-1.45	-2.91	<b>-7.43</b>	<b>-9.93</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>

Results from Feb 2010 to Dec 2012 are the results of Legends Fund predecessor fund (same strategy, but no listing).

\* The HFRX Global hedge Fund index hedged to Euro



## Fund Characteristics

Return Target	Euribor +5%
AuM	EUR 250 Million in strategy
Month-End NAV	EUR 153.53
Participations	203,273
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.

