



**April 2018**  
**Monthly Highlights**  
**Series F - CWF401**  
*Fee Based\**  
**Accredited Investors Only**

Pendragon is a global macro hedge fund focused on finding undervalued assets. The Fund begins with a top down view of the global economy, followed by in-depth fundamental research at the industry and company specific level. Pendragon looks for opportunities around the world where other investors start to feel uncomfortable.

**MONTHLY REVIEW**

With regards to fundamentals, the global economy continued to show signs of expansion, companies continued to report strong earnings growth, and major central banks (Japan and the ECB) continued their expansionary monetary policies. In the United States, tax cuts and deregulation were offset by trade concerns and the Federal Reserve raising rates as well as contracting its balance sheet. The high degree of uncertainty created by the President's continual tweets has created an environment where no leadership exists in the stock market. As we move through the year, we expect the noise created by Washington to die down as investors finally recognize that President Trump's bark is much bigger than his bite. Until that time, we continue with the strategy of reducing exposure and increasing diversification. Our risk model continues to point to an allocation of stocks over bonds. However, one cannot rule out the fact that a policy mistake by either the Federal Reserve or the White House has a significant non-zero probability of occurring. Thus, some caution is warranted.

**MONTHLY PERFORMANCE**  
 (AS AT APRIL 30, 2018 - NET OF FEES)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1Yr
<b>2018</b>	5.5%	-1.7%	-13.6%	0.5%									
<b>2017</b>	-2.3%	-0.2%	0.7%	2.4%	-0.5%	-4.4%	-0.4%	-2.5%	-3.3%	11.0%	5.7%	5.8%	11.2%

**FUND PERFORMANCE**  
 (AS AT APRIL 30, 2018 - NET OF FEES)

	1 MONTH	YTD	1 YEAR	SINCE INCEPTION DECEMBER 31, 2016
<b>PENDRAGON FUND - SERIES F</b>	0.5%	-10.0%	-0.3%	0.1%

Returns are annualized for periods greater than one year. | Source of Returns is Fundata. | Results are net of fees.

**THEMES**

- 1) Blockchain
- 2) Artificial Intelligence
- 3) Big Data
- 4) Greece
- 5) Rising Interest Rates

**TOP HOLDINGS**

- 1) Overstock
- 2) Bitcoin Investment Trust
- 3) Amazon
- 4) Global X MSCI Greece
- 5) Microsoft

**FOR MORE INFORMATION**

For more information on this month's Commentary and Investment Themes visit our website at [www.caldwellinvestment.com/pendragon](http://www.caldwellinvestment.com/pendragon).

## FUND DETAILS

INCEPTION DATE - DECEMBER 31, 2016

Management Fee	0.25%	RRSP Eligible	Yes
Performance Fee*	20%	Auditor	Deloitte LLP
Subscriptions	Monthly	Legal Counsel	McCarthy Tetrault LLP
Liquidity	Monthly	Administrator	SGGG Fund Services
Minimum Investment	\$10,000	Custodian	Caldwell Securities Ltd.

\*Based on perpetual high watermark using series accounting, no reset, no hurdle rate.

## PORTFOLIO MANAGER

### James Thorne

Chief Capital Market Strategist & Senior Portfolio Manager

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Dr. James E. Thorne is the Chief Capital Market Strategist and Senior Portfolio Manager at Caldwell Investment Management Ltd. He is also a member of Caldwell's Investment Risk Committee.

From February 2001 to September 2014, he held various senior investment management positions at M&T Bank and its wholly owned subsidiary, Wilmington Trust Investment Advisors, Inc. in the U.S., including Chief Investment Officer of Equities, Managing Director and Chief Capital Market Strategist. During his tenure, he was responsible for the management of approximately \$23 billion in assets and developed small, mid and large-capitalization investment strategies which employed a combination of quantitative and qualitative analysis and achieved top-quartile performance.

Dr. Thorne received a Ph.D. in Economics in the fields of Finance and Industrial Organization from York University in June 1993 and was subsequently employed as a Professor of Economics and Finance at the Schulich School of Business and at Bishop's University.

**TO SCHEDULE A MEETING WITH THE CALDWELL TEAM  
OR FOR MORE INFORMATION ON OUR STRATEGIES, CONTACT US AT:**

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**VISIT OUR WEBSITE AT [WWW.CALDWELLINVESTMENT.COM](http://WWW.CALDWELLINVESTMENT.COM)**



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