



**May 2018**  
**Monthly Highlights**  
*Builders Series A - CWF1400*  
*Front End*  
**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**

In the month of May investors started to realize that global growth was starting to take divergent paths. The economy of the United States continued to accelerate, while economies of Europe and Emerging Market slowed. The belief that interest rates in the United States would continue to rise was the catalyst to see capital flows out of the emerging market and Europe and into the United States. The world has yet to come to grips with the fact that economic nationalism is not only an American phenomenon. Canadian investors need to understand that it is not about Trump, it is about the fact that America needs to manufacture more and import less.

**MONTHLY PERFORMANCE**  
 (AS AT MAY 31, 2018 - NET OF FEES)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1Yr
2018	5.0%	-1.7%	-13.5%	0.4%	-0.6%								
2017	-	-0.3%	0.6%	2.1%	-0.5%	-4.4%	-0.4%	-2.6%	-3.4%	11%	5.1%	5.3%	16.0%

**FUND PERFORMANCE**  
 (AS AT MAY 31, 2018 - NET OF FEES)

	1 MONTH	YTD	1 YEAR	SINCE INCEPTION JANUARY 31, 2017
PENDRAGON FUND - SERIES A	-0.6%	-10.9%	-2.0%	-0.2%

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

**THEMES**

- 1) Alternative Intelligence
- 2) Big Data
- 3) Internet of Things
- 4) The Digital Transformation of Companies
- 5) Rising Interest Rates in the USA

**TOP HOLDINGS**

- 1) Micron Technology Inc.
- 2) Lam Rsrch Corporation
- 3) SVB Financial Group
- 4) Salesforce.com Inc.
- 5) Pioneer Ntrl Res Co.

**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 - January 31, 2017

Management Fee	1.25%	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

[jthorne@caldwellinvestment.com](mailto:jthorne@caldwellinvestment.com)

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:**

**1-800-256-2441 | 416-593-1798 OR [FUNDS@CALDWELLINVESTMENT.COM](mailto:FUNDS@CALDWELLINVESTMENT.COM)**

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



The Fund is available on a private placement basis only to residents of Canada who are qualified "Accredited Investors" as defined under National Instrument 45-106 Prospectus Exemptions and who are resident in Canada. This material is for information purposes only and does not constitute an offering memorandum or an offer or solicitation in any jurisdiction in which an offer or solicitation is not authorized. Please read the Fund's Offering Memorandum before investing. Prospective investors should rely solely on the Offering Memorandum which outlines the risk factors in making a decision to invest. The indicated rates of return are historical annual compounded total returns net of fees and expenses paid by the Fund, including changes in unit value and reinvestment of all distributions, but do not take into account sales charges or income taxes payable by any security holder that would have reduced returns. Investments in the Fund are not guaranteed, their values change frequently and past performance may not be repeated. Investment losses do and may occur, and investors could lose some or all of their investment in the Fund. The information herein does not consider the specific investment objectives, financial situation or particular needs of any prospective investor. No assurance can be given that the Fund's investment objective will be achieved or that investors will meet their investment goals. Prospective investors should consult their appropriate advisors prior to investing. Information presented herein is obtained from sources we believe reliable, but we assume no responsibility for information provided to us from third parties. Caldwell Securities Ltd. and Caldwell Investment Management Ltd. are wholly-owned subsidiaries of Caldwell Financial Ltd. Officers, directors and employees of Caldwell Financial Ltd. and its subsidiaries may have positions in the securities mentioned herein and may make purchases and/or sales from time to time. This information may not be reproduced for any purpose or provided to others in whole or in part without the prior written permission of Caldwell Investment Management Ltd. All information and opinions indicated herein are subject to change without notice. Inception date: January 31, 2017.

Caldwell Investment Management Ltd. | 150 King Street W., Suite 1702, P.O. Box 47 | Toronto, ON M5H 1J9  
Tel: 416-593-1798 | 1-800-256-2441 | [funds@caldwellinvestment.com](mailto:funds@caldwellinvestment.com) | [www.caldwellinvestment.com](http://www.caldwellinvestment.com)