



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%	0.5%	-0.6%								
2017	-2.4%	-0.3%	0.6%	2.2%	-0.6%	-4.4%	-0.5%	-2.7%	-3.4%	11.0%	5.7%	5.4%	10.0%

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

	1 MONTH	YTD	1 YEAR	SINCE INCEPTION SEPTEMBER 15, 2016
PENDRAGON FUND - SERIES M	-0.6%	-10.8%	-1.3%	-1.5%

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.

FUND DETAILS

INCEPTION DATE - SEPTEMBER 15, 2016

Management Fee	1.00%	RRSP Eligible	Yes
Performance Fee*	20%	Auditor	Deloitte LLP
Subscriptions	Monthly	Legal Counsel	McCarthy Tetrault LLP
Liquidity	Monthly	Administrator	SGGG Fund Services
Minimum Investment	\$25,000	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
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VISIT OUR WEBSITE AT WWW.CALDWELLINVESTMENT.COM



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