

## HC Fund 10/01/2013 - 12/31/2014

Investor Report

Trading Report



Data 5/1/15 12:21PM NAV 5/1/15 8:05PM (validity 5/1/15)

## FUND PERFORMANCE

## NET MONTHLY RETURNS &amp; NET EXPOSURE SINCE INCEPTION

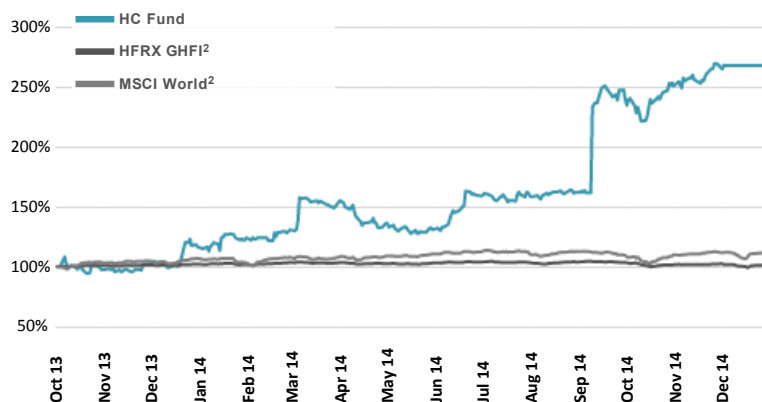
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	SD
<b>2014</b>	Return	6.83%	5.36%	17.68%	-11.63%	-3.88%	21.60%	0.20%	1.75%	47.78%	4.64%	7.33%	-0.40%	<b>130.6%</b>	<b>41.8%</b>
	$\Delta^1$	46.2%	59.7%	28.2%	33.1%	67.7%	58.7%	28.1%	35.7%	46.3%	43.4%	34.6%	2.1%	<b>40.1%</b>	
<b>2013</b>	Return										-2.83%	5.28%	13.42%	<b>16.0%</b>	<b>41.8%</b>
	$\Delta^1$										34.6%	22.9%	30.4%	<b>29.2%</b>	
<b>2014</b>	HFRX GHFI	-0.24%	1.59%	-0.23%	-0.73%	0.46%	0.80%	-0.29%	0.42%	-0.44%	-1.79%	0.70%	-0.94%	<b>-0.7%</b>	<b>3.5%</b>
<b>2013</b>	HFRX GHFI										0.93%	0.55%	0.56%	<b>2.1%</b>	<b>2.1%</b>
<b>2014</b>	MSCI World	-3.77%	4.81%	-0.09%	0.83%	1.63%	1.65%	-1.67%	2.00%	-2.87%	0.57%	1.84%	-0.45%	<b>4.3%</b>	<b>8.9%</b>
<b>2013</b>	MSCI World										3.18%	1.59%	2.01%	<b>6.9%</b>	<b>8.6%</b>

## PERFORMANCE TO DATE (12/31/2014)

	HC Fund <sup>2</sup>	HFRX GHFI <sup>2</sup>	MSCI World <sup>2</sup>
Month end AUM (USD mm)	0.3		
<b>Net return YTD</b>	<b>130.58%</b>	<b>-0.74%</b>	<b>4.25%</b>
Net return MTD	-0.40%	-0.94%	-0.45%
Net return since inception	167.57%	1.30%	11.47%
Ann. compounded return	119.85%	1.04%	9.08%
<b>Ann. standard deviation</b>	<b>41.80%</b>	<b>3.46%</b>	<b>8.91%</b>
Ann. downside volatility	14.82%	2.27%	5.55%
Beta on RTS	1.01		
Correlation with RTS	0.08		
<b>Sharpe ratio</b>	<b>2.87</b>	<b>0.30</b>	<b>1.02</b>
Number of up months	11	8	10
Number of down months	4	7	5
Max monthly gain, Net	47.78%	1.59%	4.81%
Max monthly loss, Net	-11.63%	-1.79%	-3.77%

<sup>1</sup> Average beta adjusted NET Exposure / NAV<sup>2</sup> Price appreciation / A class shares

## CUMULATIVE NET RETURNS TO MONTH END (12/31/2014)



Source: Bloomberg; net returns in USD

## RETURN BREAKDOWN for 12/11/2014

RTS	100.49%	-0.36%
A2F	267.57%	0.00%

## A2F Contributors:

+0.00%	CELLDEX THERAPEUTICS INC
+0.00%	AVANIR PHARMACEUTICALS INC
+0.00%	ARIAD PHARMACEUTICALS INC
+0.00%	AMARIN CORP PLC -ADR

+0.00% AGIOS PHARMACEUTICALS INC

A2F Detractors:

switch YTD/MTD

**PORTFOLIO RETURN <sup>1</sup>**

RETURN BREAKDOWN, %NAV (MTD 12/31/2014)

**TOP 5 CONTRIBUTORS**

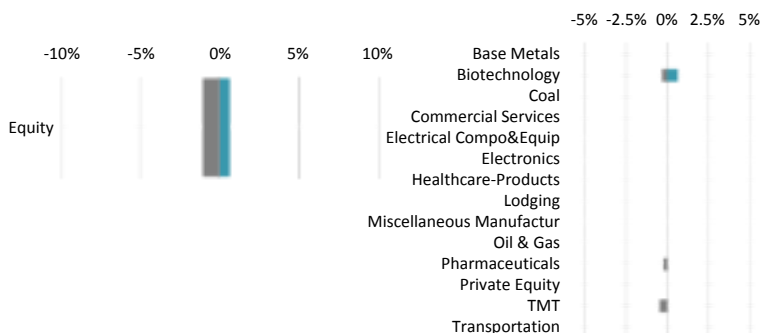
LONG	ARIAD PHARMACEUTICALS INC	0.63%
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**TOP 5 DETRACTORS**

LONG	VRINGO INC	-0.46%
LONG	GALENA BIOPHARMA INC	-0.35%
LONG	OPKO HEALTH INC	-0.23%

**GROSS RETURN BY SECTOR**

**GROSS RETURN BY ASSET CLASS**



**BY EQUITY MARKET CAPITALIZATION**



see details

**PORTFOLIO EXPOSURE <sup>2</sup>**

EXPOSURE BREAKDOWN, %NAV (12/31/2014)

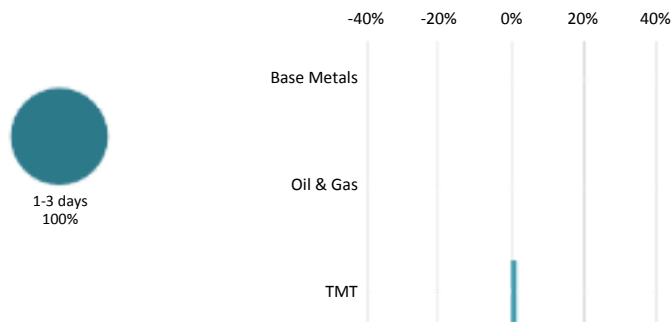
**TOP 5 POSITIONS LONG**

**TOP 5 POSITIONS SHORT**

CELLDEX THERAPEUTICS INC	0.00%
AVANIR PHARMACEUTICALS INC	0.00%
ARIAD PHARMACEUTICALS INC	0.00%
AMARIN CORP PLC -ADR	0.00%
AGIOS PHARMACEUTICALS INC	0.00%

EXPOSURE BY SECTOR, BETA ADJUSTED, %NAV

DAYS TO LIQUIDATE POSITION<sup>3</sup>



**BY EQUITY MARKET CAPITALIZATION, %NAV**



**RISK METRICS OVERVIEW**

**RISK UTILIZATION (12/31/2014)**

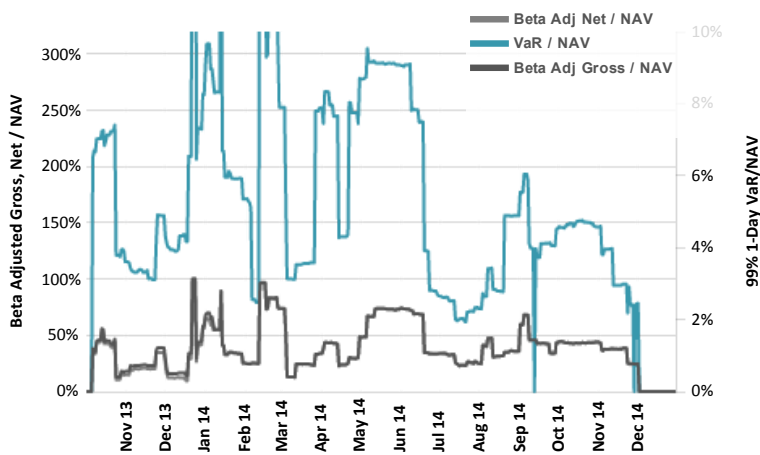
Liquidity	(days)
Volatility	(annualized)
Equity Beta on	RTSI\$
Correlation with	RTSI\$
VaR/NAV	(1D, 99%)
Portfolio VaR	(\$mm)
Equity	(\$mm)
Credit	(\$mm)
FX	(\$mm)
Gold	(\$mm)
Commodity	(\$mm)

Benefits of Diversification

STRESS TESTS	RTSI\$	HC Fund*
9/15/2008 Lehman Brothers' Day	-1.03%	
8/8/2011 US Debt downgrade	-1.50%	
9/22/2011 'Global Recession' Sell-Off	-0.72%	
9/23/2011 'Global Recession' Sell-Off	-0.16%	

\* Current portfolio composition

**A<sup>2</sup>R PORTFOLIO RISK EXPOSURE THROUGH (12/31/2014)**



<sup>1</sup> Monthly contribution to NAV

<sup>2</sup> Beta adjusted

<sup>3</sup> At 10% of ADTV