

Quarterly Factsheet – Q2 2018

NAV: 1,090.34 (US\$ 20,125,631) | Portfolio: US\$ 20,292,542 | Return since inception: +23.67% | Bloomberg: ARTVANT:TL | ISIN: GI000A1W4DS8

Fund Objective

The investment objective of the Tiroche DeLeon Collection (the "Fund") is to generate growth through investment in contemporary art from developing markets. By investing in the Fund experienced investors may diversify into an uncorrelated asset class with proxy exposure to emerging market growth. The Fund is suitable for experienced investors who can tolerate illiquidity and a degree of volatility. Akin to a private collection, the Fund invests in the long-term prospects of leading contemporary artists from new markets, anticipating increased demand for these artworks over the medium to long term. The objective is to generate net investor returns over the 10 year life of the Fund in excess of 10% per annum. This is achieved by combining long-term market exposure with an active management strategy. [Read More](#)

Quarterly Commentary

With the recovery in US equity markets this past quarter (up c. 6.5%) it would seem that the risk of a broad market correction has dissipated, for now. This has given another boost of confidence to the art market. Q2 activity continues to be extremely robust. Both auctions and dealing seem to be off to a very strong start. Auctions were boosted by exceptionally rare works such as Da Vinci's Salvador Mundi (\$450 million) and the charity auction of the collection of David and Peggy Rockefeller. According to Art Basel's 2017 annual Art Market report which was published in March, the art market experienced a 12% YoY increase in turnover in 2017, proving the growing demand for art. Complemented by a perception of higher risks in financial markets, this is giving rise to renewed investor appetite for art as an investment asset and as an inflation hedge. Thus we see significant new initiatives such as the announcement by the United Talent Agency and Peter Brant that they are establishing a \$250 million Post War and Contemporary Art Fund. We too are in the process of establishing Art Vantage Global, a new art fund targeting a \$100 million raise for investment in established Post War & Contemporary Art. Furthermore, similar to our activity in the Tiroche DeLeon Collection, we will continue to provide support to emerging artists, primarily from Africa, by establishing Africa First as one of the most comprehensive collections of emerging art from the continent. In order to support our future growth, we are pleased to welcome new members to our team. Click here for the full report.

Enjoy a quiet, relaxing and harmonious summer, Serge

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Cum
2018	0.58	0.46	0.63	0.51	0.51	0.52							3.25%
2017	0.68	0.59	0.62	0.54	(0.50)	0.43	0.53	0.46	0.57	0.37	0.54	(4.00)	0.74%
2016	0.43	0.50	0.51	0.63	0.52	0.51	0.56	0.52	0.52	0.48	0.90	(9.39)	-3.72%
2015	0.33	0.42	0.39	0.40	0.44	0.41	0.40	0.38	0.61	(8.27)	0.54	(3.68)	-7.77%
2014	0.37	0.50	0.41	0.56	0.40	0.42	0.37	0.30	0.36	0.83	0.55	0.02	4.99%
2013	0.45	0.45	0.42	0.54	0.44	1.86	0.65	0.43	0.40	0.37	0.40	2.63	9.39%
2012	1.05**	0.47**	0.40	0.24	0.25	0.38	0.35	0.41	0.41	0.34	0.39	(0.44)	4.33%
2011	--	--	--	--	--	--	--	--	--	--	--	--	11.72**

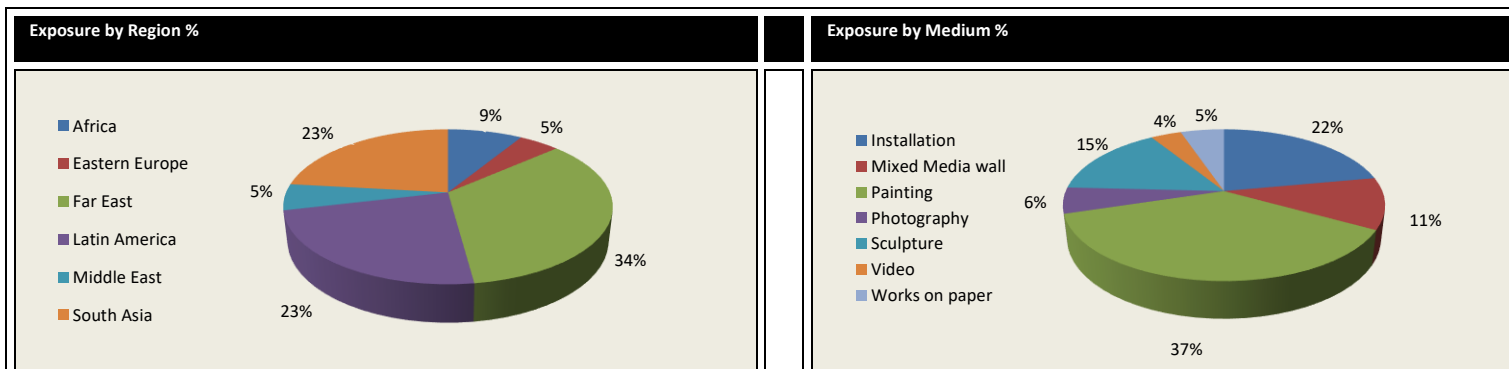
* Audited track record prior to establishment as an experienced investor fund on 1 March 2012. ** Unaudited

Top 10 Artworks as % of NAV	
Ai WeiWei, China 'Forever'	5.58%
Liu Xiaodong, China 'The Fire of 1841'	3.55%
Ai WeiWei, China 'Grapes'	3.45%
William Kentridge, South Africa 'Anti-Entropy'	2.28%
Gabriel Orozco, Mexico 'Samurai Tree'	2.28%
Marina Abramovic, Yugoslavia 'Rhythm 0'	2.28%
I Nyoman Masriadi, Indonesia 'Great Daddy'	2.08%
Ronald Ventura, Philippines 'Carne Carnivale'	1.77%
Hyung Koo Kang, Korea 'Self Portrait'	1.52%
Os Gemeos, Brazil 'Dentro do arco-iris, é assim'	1.39%

Artnet Art Statistics	Volatility	Correlation with Global Equities (MSCI World Index between 2003-2016)	Correlation with Real Estate (MSCI World REITs 2007-2016)	Correlation with Commodities (S&P GSCI between 2008-2016)	Correlation with Fixed Income (S&P 500 Bond Index between 2008-2016)
Global Contemporary	19.80%	14.51%	-4.23%	25.66%	5.48%
Global Modern	15.66%	25.36%	36.13%	30.83%	36.61%
Global Post-War	15.54%	49.05%	52.03%	16.55%	28.95%
Global Impressionist	12.28%	23.77%	57.44%	7.08%	69.01%
European Old Masters	14.06%	21.00%	20.69%	16.52%	24.45%
20 th -Century & Contemporary Chinese	29.31%	15.96%	21.93%	71.68%	27.93%
Fine Chinese Paintings & Calligraphy	29.01%	39.50%	29.91%	61.72%	27.78%

Realized Artworks (Top 4, Bottom 3)	Proceeds	IRR % (Gross)	Date
Mona Hatoum, Lebanon 'Plotting table'	\$153,023	60,802*	Jan. 2012
Mona Hatoum, Lebanon 'Undercurrent'	\$293,309	3,766	Jan. 2012
Aboudia, Ivory Coast 'Untitled'	\$15,226	155	Nov. 2015
Rodel Tapaya, Philippines 'Creation of the Bat'	\$20,121	126	May 2013
Pavel Pepperstein, Russia 'And From Granddad...'	\$7,272	-6	Jun. 2016
Aboudia, Ivory Coast 'Grigali'	\$9,155	-11	Jun. 2017
Pavel Pepperstein, Russia, 'The Dying Gangster'	\$26,400	-12	Nov. 2017
# of artworks sold	60		
Total value of sold works	\$7,102,046		
IRR on all realized artworks	+18.78%		
Average premium vs. Book value	+11.9%		

*69% return in 1 month (Formula compounds this 12 times).



Administrator	Juno Fund Services Limited, Gibraltar	Date Launched	29 February 2012
Auditor	KPMG, Gibraltar	Starting NAV (1 March 2012)	US\$ 1,000
Investment Director	TD Ventures Limited, BVI	Theoretical NAV at Inception 1 February	US\$ 881.65
Bloomberg Ticker / ID	ARTVANT:TL / BBG005687V99	Minimum Subscription Amount	US\$ 500,000 equivalent
Currency	USD	Liquidity	Semi Annually from June 2017 (5% gate)
Contacts	Tamar Rakovitch +972-3-5169599	Management Fee	2%
E-mail	Office@art-vantage.com	Performance Fee	20% (subject to high watermark)