

Quarterly Factsheet – Q4 2016

NAV: 1,048.08 (US\$ 19,700,165.6) | Portfolio: US\$ 20,289,273.5 | Leverage: 3% | Return since inception: +18.87% | Bloomberg: ARTVANT:TL

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

Looking back at the art market in 2016, it is probably best categorized as a "safe landing". Despite mounting global unrest around a myriad of political, economic, humanitarian and ecological concerns – such as the outcome of US Elections, Brexit, ISIL & civil war in Syria, slowing growth in Emerging Markets and a failed coup in Turkey to name a few – in the broad sense, prices of art seem to hold steady. Taking a closer look at the underlying trends, a clear picture emerges, revealing a slower market, particularly for middle market. Global auction turnover dropped 22% during the year, forcing auction houses to be much more conservative which was reflected in our year end valuation, that came in at 10% below our book values. Our actual realizations during the year paint a very different picture however, with works selling approximately double our cost price and boasting a healthy 20% IRR.

Moving forward, the fund is preparing for the next phase of the fund's life cycle, the "Holding and Consolidation" period, which starts in March 2017. In this phase the focus moves from acquisitions and new investor to carefully managing the collection to enhance value through active management. [Read More](#)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Cum
2011	N/A	--	--	--	--	--	--	--	--	--	--	--	11.72%*
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%
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%
2014	0.37	0.50	0.41	0.56	0.40	0.42	0.37	0.30	0.36	0.83	0.55	(0.18)	4.99%
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%
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%

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

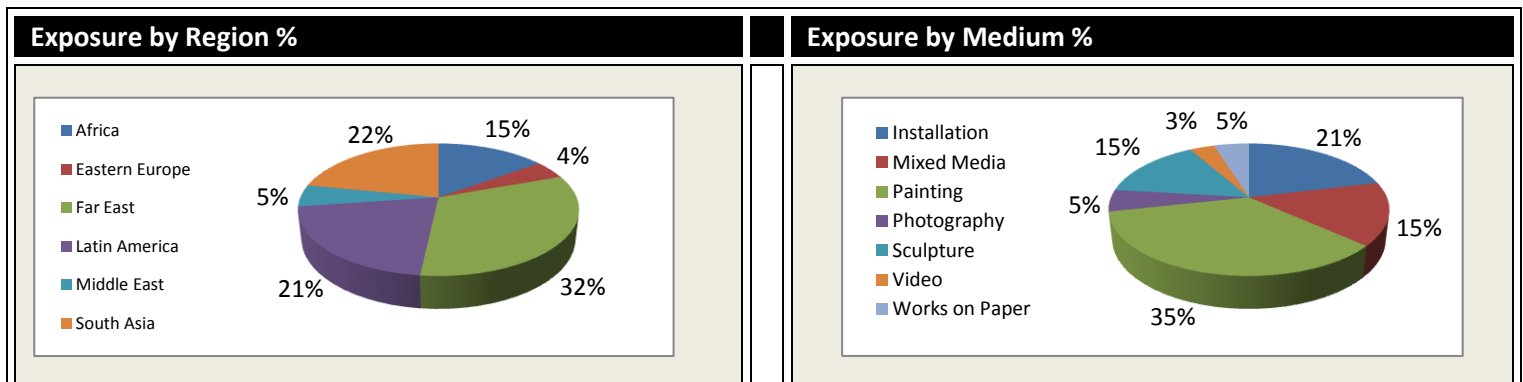
Top 10 Artworks as % of NAV	
Ai WeiWei, China 'Forever'	5.42%
El Anatsui, Ghana 'Earth Developing Roots'	4.92%
Liu Xiaodong, China 'The Fire of 1841'	3.45%
Ai WeiWei, China 'Grapes'	2.71%
William Kentridge, South Africa 'Anti-Entropy'	2.21%
Gabriel Orozco, Mexico 'Samurai Tree'	2.21%
Marina Abramovic, Yugoslavia 'Rhythm 0'	1.97%
I Nyoman Masriadi, Indonesia 'Great Daddy'	1.97%
Ronald Ventura, Philippines 'Carne Carnivale'	1.60%
Hyung Koo Kang, Korea 'Self Portrait'	1.47%

Metrics from Jan 2012	YTD Return	Total Return	Volatility (monthly)	Correlation
Tiroche DeLeon Collection	-3.72%	6.41%	6.15%	1.000
Skate's Art Stock Index*	N/A	-41.90%	22.77%	0.053
3 month Libor (US0003M)	0.76%	2.03%	0.06%	-0.267
Bloomberg Global Bond (BGSV)	1.70%	-3.93%	5.44%	0.011
World Equities (MXWO)	5.32%	48.06%	11.05%	-0.178
Gold (GLD)	8.03%	-27.88%	16.75%	-0.048
Real Estate (IYR)	2.48%	35.43%	13.02%	-0.167

* Index of publicly traded Art stocks – ceased publishing its returns since March 2016

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
Subodh Gupta, India 'Family Nest No.1'	\$225,000	0		Aug. 2015
Ghada Amer, Egypt 'Untitled'	\$69,069	0		Nov. 2016
Pavel Pepperstein, Russia 'And From Granddad...'	\$7,272	-6		June 2016
# of artworks sold			41	
Total value of sold works			\$5,527,180	
IRR on all realized artworks			+ 25.2%	
Average premium vs. Book value			+ 16.6%	

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



Administrator	Grant Thornton, 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 2011	US\$ 881.65
Bloomberg Ticker / ID	ARTVANT:TL / BBG005687V99	Minimum Subscription Amount	US\$ 500,000 equivalent
Currency	USD	Liquidity	Semi Annually from March 2017 (5% gate)
Contacts	Roxanne Sluszny +972-3-5169599	Management Fee	2%
E-mail	Office@art-vantage.com	Performance Fee	20% (subject to high watermark)