

Quarterly Factsheet – Q4 2018

NAV: 886.16 | Shareholder Capital: US\$16,357,816.19 | Return since inception: +0.51% | Bloomberg: ARTVANT:TL | ISIN: GI000A1W4DS8

Fund

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. This is achieved by combining long-term market exposure with an active management strategy. [Read More](#)

Quarterly Commentary

This quarter financial markets staged a remarkable recovery after the big drop in Q4 2018. I remain convinced that a substantial drop is on the horizon, acknowledged finally by a change in stance by the Fed and the fixed income market. Generally, the art auction market was in cautious mode, showing solid results on significantly lower volumes. Sotheby's Hong Kong auctions being the exception.

In March we received our 2018 year end valuation by one of the leading global auction houses. It came out extremely low for reasons explained in detail in the newsletter. Interestingly, the full year fund performance was in line with the MSCI Emerging Market index which also dropped 16% in 2018. This is quite unsatisfactory of course, but fortunately is a theoretical, on paper, result.

Our actual sales in Q1 2019 are much more encouraging and demonstrate how conservative the 2018 valuation actually is. So far in 2019 we sold 15 works for a cumulative \$774'000, representing a 21% premium to the 2018 valuation for the same group of works. The premium grows to an astounding 45% if we account for the 25% buyer premium on the works sold at auction. Remarkable. Our Gross IRR of 7.5% for this group is lower than our average Gross IRR on the \$8.1 million of artwork sales since inception, which stands at 16.70%. We are proud to have achieved new world auction records for 3 female artists – Firelei Baez, Haegue Yang and Cui Jie this quarter and to have sold an important William Kentridge video to a European Museum. We will continue to focus efforts on selling artworks for the remainder of the year, while the market remains receptive, and are already in process of consigning works for private sales through galleries auction houses and art fairs and in public auctions through individual as well as group placements. [Read the full manager update here.](#)

	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	0.52	0.53	0.52	0.64	0.66	(21.02)	-16.08%
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%*

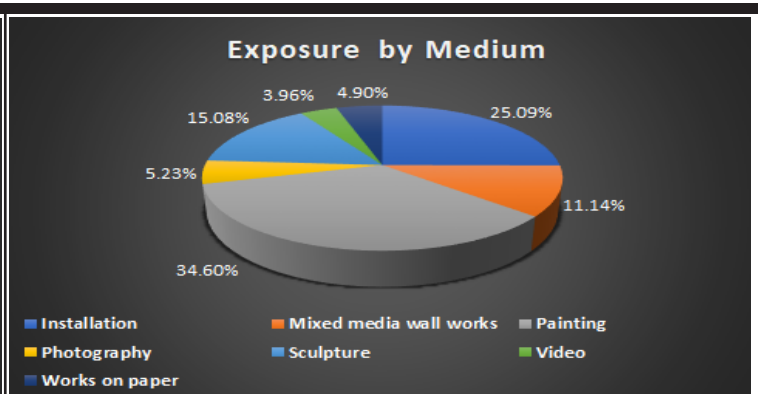
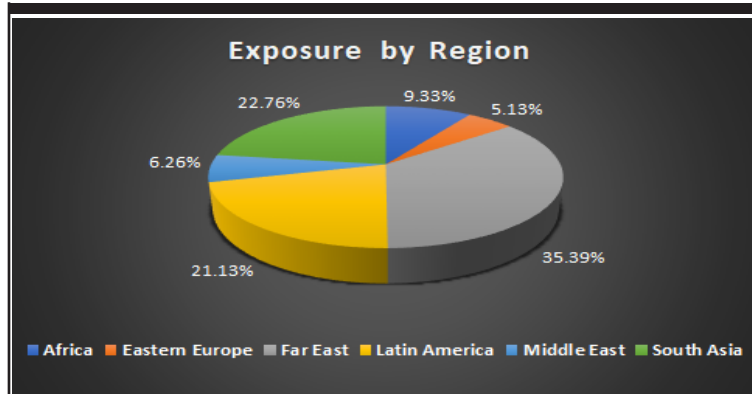
* Audited track record prior to establishment as an experienced investor fund on 1 March 2012. ** Unaudited

Top 10 Artworks as % of NAV	
Ai Weiwei, China 'Forever'	7.64%
Ai Weiwei, China 'Grapes'	3.97%
Marina Abramovic, Yugoslavia 'Rhythm 0'	3.06%
Fang Lijun, China '2005.1.10'	2.90%
Liu Xiaodong, China 'The fire of 1841'	2.84%
Nyoman Masriadi, Indonesia 'Great Daddy'	2.33%
William Kentridge, South Africa 'Anti-Entropy'	2.13%
Gabriel Orozco, Mexico 'Samurai Tree'	2.13%
Yan Pei Ming, China 'International Landscape'	1.98%
Ronald Ventura, Philippines 'Carne Carnivale'	1.68%

Realized Portfolio Summary Statistics	
Number of works sold	66
Total Sales	\$7,334,914
Cost of works sold	\$4,898,957
Cumulative trading profit	\$2,435,957
Money-weighted return	49.72%
Internal Rate of Return (Gross IRR)	18.83%
Book Value at time of sale	\$6,505,680
Money-weighted premium to book value	12.75%
Auction records set	12

Realized Artworks: Best			
Realized Artworks	Proceeds	IRR (Gross)	Date
Mona Hatoum, Lebanon Plotting table	\$153,294	60802%	Jan 2012
Mona Hatoum, Lebanon, Undercurrent	\$293,309	3766%	Jan 2012
Aboudia, Ivory Coast Untitled	\$15,226	155%	Nov 2015
Rodel Tapaya, Philippines Creation of the Bat	\$20,121	126%	Jul 2013
Youssef Nabil, Egypt Amani by window	\$41,797	116%	Dec 2011
Rodel Tapaya, Philippines Big Fish	\$123,350	93%	Jun 2016
Rodel Tapaya, Philippines Magic Dog	\$14,748	73%	Jun 2012

Realized Artworks: Worst			
Realized Artworks	Proceeds	IRR (Gross)	Date
Pavel Pepperstein, Russia Gangster-The Dying	\$26,400	-12.16%	Nov 2017
Aboudia, Ivory Coast 'Grigali'	\$9,155	-10.84%	Jun 2017
Pavel Pepperstein, Russia 'And From Granddad'	\$7,272	-6%	Jun 2016
Ivan Chuiikov, Russia Postcard Fragments '19#'	\$19,800	-3.15%	Nov 2017
Ivan Chuiikov, Russia Postcard Fragments '20#'	\$19,800	-3.15%	Nov 2017
Sergey Zarva, Ukraine "OGONYOK"	\$3,564	-1.24%	Nov 2017
Armand Boua, Ivory Coast Untitled - Diptych	\$6,297	-0.37%	Jun 2017



Administrator	Juno Fund Services Limited, Gibraltar	Date Launched	29 FEBRUARY 2012
Auditor	BDO, 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	Itamar Wainstein +972-3-5169599	Management Fee	2%
E-mail	Office@art-vantage.com	Performance Fee	20% (subject to high watermark)