

# Newsletter September 2013

## TIGER FUND – TIGER VALUE FUND (FCP-SIF)

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#### FUND INFORMATION

Launch date	12-Dec-08	Total Gross Exposure	88.7%	Total Long Exposure	68.3%
AuM	€ 29 m	Total Net Exposure	48.0%	Total Short Exposure	20.3%
<b>NAV*</b>		<b>WKN</b>	<b>ISIN</b>	<b>Bloomberg</b>	<b>Reuters</b>
Share Class A	€ 1,565.00	A0Q5LH	LU0400329677	TIGERAA LX EQUITY	LP68023199
Share Class B	€ 1,642.39	A0RDZZ	LU0400329750	TIGERAB LX EQUITY	LP68023200

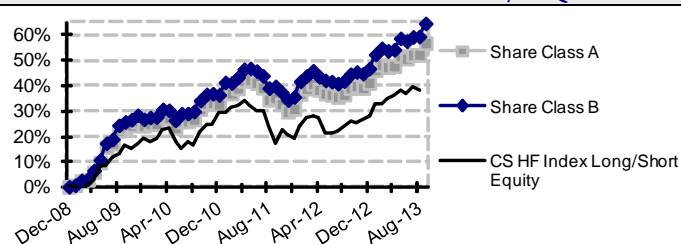
#### NET PERFORMANCE METRICS

	Return (since inception)	Return (p.a.)	Sharpe Ratio***	Volatility (p.a.)	Volatility (90 D)
Share Class A	56.5%	9.9%	1.54x	6.3%	4.1%
Share Class B	64.2%	11.0%	1.66x	6.5%	4.3%

#### POSITIONS

Number of Positions		Weightings (% of Gross)	
Long Positions	41	Long	Short
Short Positions	9	Top 5	30.3% 19.8%
Total No. Positions	50	Top 10	45.3% 22.9%

#### FUND PERFORMANCE vs. CS HF INDEX L/S EQUITY \*\*



#### MONTHLY NET RETURN

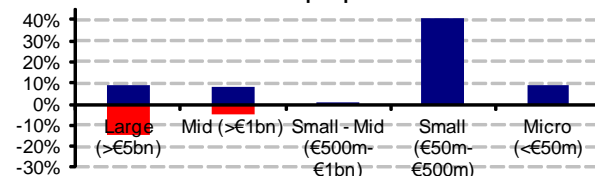
Share Class A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	-	-	-	-	-	-	-	-	-	-	-	0.003%	0.003%
2009	0.56%	1.73%	0.46%	2.87%	3.60%	5.51%	1.21%	4.35%	1.05%	0.62%	1.26%	-1.29%	24.04%
2010	0.50%	0.06%	2.22%	-0.32%	-3.08%	2.04%	0.05%	0.58%	3.25%	1.62%	0.18%	-0.41%	6.75%
2011	3.43%	-0.21%	1.47%	2.14%	0.25%	-0.81%	-1.32%	-3.41%	0.45%	-1.72%	-2.24%	0.86%	-1.31%
2012	4.48%	1.51%	1.35%	-1.68%	-1.05%	-0.37%	-0.59%	0.69%	1.85%	0.57%	-0.53%	1.44%	7.79%
2013	3.57%	1.49%	-0.66%	0.24%	2.70%	-0.67%	0.95%	0.07%	3.00%				11.10%
Share Class B	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.02%
2009	0.62%	1.87%	0.52%	3.25%	3.90%	5.95%	1.34%	4.62%	1.08%	0.70%	1.38%	-1.26%	26.51%
2010	0.57%	0.10%	2.40%	-0.28%	-3.04%	2.08%	0.05%	0.62%	3.32%	1.80%	0.19%	-0.36%	7.57%
2011	3.62%	-0.18%	1.56%	2.27%	0.21%	-0.71%	-1.28%	-3.37%	0.49%	-1.68%	-2.20%	0.90%	-0.59%
2012	4.52%	1.55%	1.39%	-1.64%	-1.01%	-0.33%	-0.54%	0.73%	1.89%	0.61%	-0.49%	1.40%	8.23%
2013	3.78%	1.62%	-0.67%	0.30%	2.91%	-0.69%	1.05%	0.11%	3.23%				12.13%

#### MARKET CAPITALISATION

	Pos. No	%Gross	Net Exp	Long	Short
Large (>€5bn)	7	26.9%	-5.3%	9.3%	-14.6%
Mid (>€1bn)	7	15.2%	3.3%	8.4%	-5.1%
Small - Mid (€500m-€1bn)	1	1.3%	1.2%	1.2%	0.0%
Small (€50m-€500m)	25	46.4%	39.8%	40.5%	-0.7%
Micro (<€50m)	10	10.1%	9.0%	9.0%	0.0%
Total	50	100.0%	48.0%	68.3%	-20.3%

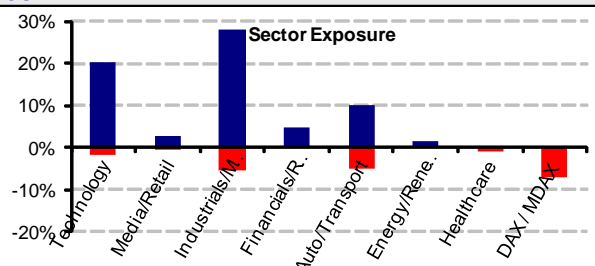
Geographic focus: DACH region (> 90%)

#### Market Cap Exposure



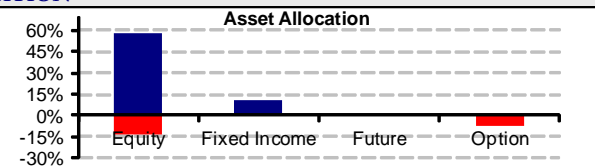
#### SECTOR EXPOSURE

	Pos. No	%Gross	Net Exp	Long	Short
Technology	14	24.7%	18.8%	20.4%	-1.5%
Media/Retail	5	3.8%	2.4%	2.9%	-0.5%
Industrials/Materials	17	37.7%	23.0%	28.2%	-5.2%
Financials/Real Estate	5	5.6%	5.0%	5.0%	0.0%
Auto/Transport	5	17.1%	5.1%	10.2%	-5.0%
Energy/Renewables	2	1.9%	1.7%	1.7%	0.0%
Healthcare	1	1.1%	-0.9%	0.0%	-0.9%
DAX / MDAX	1	8.0%	-7.1%	0.0%	-7.1%
Total	50	100.0%	48.0%	68.3%	-20.3%



#### ASSET ALLOCATION

	Pos. No	%Gross	Net Exp	Long	Short
Equity	38	79.5%	44.0%	57.2%	-13.2%
Fixed Income	11	12.5%	11.1%	11.1%	0.0%
Future					
Option	1	8.0%	-7.1%	0.0%	-7.1%
Total	50	100.0%	48.0%	68.3%	-20.3%



Source: TAM / EFA; \*NAV daily calc. by EFA; \*\*www.hedgeindex.com, Broad Indexes - CS Hedge Fund Index Long/Short Equity; \*\*\*TAM inhouse calculation

### Tiger Value Fund – September 2013

#### o **Returns: +3.00% (class A)/+3.23% (class B)**

In September, the Tiger Value Fund had with a positive net return of 3.00% for share class A and 3.23% for share class B the second best month this year, making a cumulative net return of +11.10%/+12.13% in the year-to-date and +56.5%/+64.2% since inception (share class A/B).

#### o **Commentary: Performance contribution broad based**

In September we lowered our net adjusted exposure from 41.4% to 37.9% (49.4% incl. 12.5% fixed income linked investments) by the end of the month. We booked profits and losses on various long and short positions and added selectively new long and short positions. The Fund's monthly volatility was at 6.3%/6.5% (class A and B) since inception and the daily volatility (90 days) was at 4.1%/4.3% (class A and B), down from around 5% at the beginning of the year; this compares to an average net return of 9.9%/11.0% p.a. resulting in a Sharpe ratio of 1.54x and 1.66x (class A and B).

Our key performance contributors, which we highlighted various times have been Francotyp-Postalia (+85bp), Gildemeister (+64bp), Phoenix Solar (+55bp) and BMW PFD (+50bp). Gildemeister was up 20% after analysts started to upgrade the stock post the positive news flow and Phoenix Solar rallied 40% after the stock was discovered by some UK and US Funds at an alternative energy conference in London. In addition we had various positions such as Centrotec Sustainable (+26bp) or Kapsch TrafficCom (+20bp) which contributed nicely to our monthly performance as well.

On the negative side we didn't have any significant loss making positions > 20bp. Our single short and hedging positions burdened the Fund performance by 38bp in September.

#### o **Outlook: Moment of truth**

As we have mentioned frequently over the last few months, we have expected the overall market to be in a holding pattern until the September/October period where we expect some significant turbulence. In the last few days we have seen the first signs of trouble with a confidence vote in the Italian parliament as well as a government shut down in the US after congress failed to pass a continuing resolution to keep the US government funded. Over the next two weeks we are likely to see even more volatility as the debt ceiling needs to be negotiated before October 17. It may well be that we will see a strong rally on back of a successful raising of this debt ceiling but there is also a rising risk of a repeat of the 2011 scenario where financial markets across the world fell 20-30% within a few weeks.

Consequently we have continued to reduce risk in our portfolio, realizing substantial profits in September after a very successful performance from many of our positions. We are seeing increasing signs of performance chasing in Europe with some stocks, in particular smaller cap stocks, rising dramatically without any significant news. There has also been a lot of talk recently over the European come back and increased asset allocations into European equities. While we agree that European equities are attractively valued compared to the US, we believe it's too early to discount a significant recovery in Europe. The European economy may not be getting much worse but there are also few signs of a real sustainable improvement. In addition, much of the European companies profit growth depends on exports to the US and Emerging Markets where growth seems to be fading. Europe will not be impervious to slowing global growth. With many European equity markets close to all-time highs or

multi-year highs, the risk/reward is again not very favorable to increase risk. Nevertheless, we stand ready to benefit from this expected rise in volatility and which we are confident will result in many good stock picking opportunities in the months ahead.

#### ***The Tiger Value Fund Desk, 4<sup>th</sup> October 2013***



**Matthias Rutsch**



**Marc Schädler**



**Peter Irblad**

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### Objectives

The objective is to identify undervalued companies with external catalysts and/or initiate pro-active measures to create shareholder value. The fund aims for a 5 year return of 10-15% p.a. with strong focus on capital preservation.

### Investment Strategy

The Investment Advisor is a fundamental long-short equity stock-picker. The fund seeks undervalued small and midcap companies where a number of issues, which in our opinion can be improved, are sub-optimizing the company's public market value. For each position we perform a detailed research process including a 360 degree research approach and 10 point scoring system.

The managers foresee a direct dialog with the company as well as with other shareholders to support management to initiate value creating measures. Their partner network i.e. other shareholders, consultants, sector experts, media etc. will help to impact positive change.

The fund intends to engage in 15-30 long investments with a target net long exposure of around 50%. The geographic focus is likely to be Germany, Switzerland and Austria.

Fund Information		Fee Structure and Risk Management	
Currency	EUR	Admin/Custodian Fee	Up to 0.49%
Legal Entity	FCP-SIF	Advisory (Mgmt) Fee	
Fund Domicile	Luxembourg	Share Class A	2.0%
Fund Structure	Open-ended multi-class	Share Class B	1.5%
Style mandate	Long/Short and Active Value	Performance Fee	
Investment Minimum		Share Class A	20%
Share Class A	€ 125,000	Share Class B	15%
Share Class B	€ 5,000,000	Hurdle Rate	None
Sub. Frequency	Monthly	High Water Mark	Yes
Red. Frequency	Monthly	Eligible Investors	See Issue Document
Redemption Notice		Leverage	Maximum 200% of NAV
Share Class A	3 months	Fund Benchmark	DJ CS HF Index L/S Equity
Share Class B	6 months		

### Fund Advisor Details and Service Providers

<b>Investment Manager</b>	Alceda Fund Management SA
<b>Investment Advisor</b>	Tiger Asset Management GmbH
Contact	Matthias Rutsch, Phone: +41 (0)41 500 33 46 Peter Irbled, Phone: +41 (0)41 500 33 45 Marc Schädler, Phone: +49 (0)40 226 32 35 11
<b>Sub-Advisor</b>	PHZ Privat- und Handelsbank Zürich AG
Contact	Phone: +41 (0)43 443 71 00
<b>Prime Broker/Custodian</b>	SEB AB / SEB SA
<b>Administrator</b>	European Fund Administration SA
<b>Auditor</b>	PriceWaterhouseCoopers

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Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," "thinks," and similar expressions are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements. These factors include, among other things, those matters discussed as "Risk Factors," in the Issue Document of the Fund, as well as (1) general economic and business conditions; (2) new governmental regulations and changes in, or the failure to comply with existing governmental regulation, (3) legislative proposals that impact our industry or the way we do business, (4) competition, and (5) our ability to attract and retain qualified personnel.

Although we believe that these statements are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Given these uncertainties, prospective investors are cautioned not to place undue reliance on these forward-looking statements. We assume no obligation to update or revise any forward-looking statements contained on this document or provide reasons why actual results may differ. The investment objectives and methods summarized herein represent the current intentions of the Investment Advisor. Depending on conditions and trends in the securities markets and the economy in general, we may pursue any objectives, employ any investment techniques or purchase any type of security that we consider appropriate and in the best interest of the funds, whether or not described herein. The discussion herein includes and is based upon numerous assumptions and opinions of the Investment Advisor concerning world financial markets and other matters, the accuracy of which cannot be assured. There can be no assurance that the investment strategy of the Fund will achieve profitable results for the Fund.

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04 October 2013