

Sample Hedge Fund International, Ltd.

Anonymised sample · USD · Cayman Islands · Multi-strategy relative value and arbitrage

Sample report · anonymised

Period Oct 2023 to Sep 2026 (36 months)

Peer group: HFRI Relative Value (Total) Index (207 funds)

Benchmarks: HFRI Relative Value (Total) Index · S&P 500 Index

Risk-free 4.50%

ANNUALIZED RETURN	ANNUALIZED VOLATILITY	SHARPE (Rf 4.50%)	MAX DRAWDOWN	CORRELATION TO B1	3-YEAR RETURN RANK
11.61%	4.24%	1.68	-2.51%	0.34	Top 20%
Oct 2023 to Sep 2026	S&P 500: 12.38%		Trough Mar 2025	HFRI Relative Value	Among 207 peers

Is this fund right for a cautious, first-time investor? The evidence is mostly favourable. **1. Steady compounding:** 11.6% a year with 4.2% volatility; Sharpe 1.68 beats 69% of its 207 peers. **2. Real alpha:** 9.4% a year with $t = 4.30$; factor exposures explain only 1.7% a year. **3. Holds up when equities fall:** beta to the S&P 500 is 0.14; +0.8% in the Iran War months while the S&P 500 fell 4.6%.

The caution. A softer patch and incomplete fee data. The fund has lost 2.3% since July 2026 and is still below its June peak. Only the 20% performance fee is recorded, so the estimated 2.9% a year in fees leaves out any management fee or pass-through expenses. Minimum and subscription terms are not recorded, and redemptions are quarterly.

Statistics

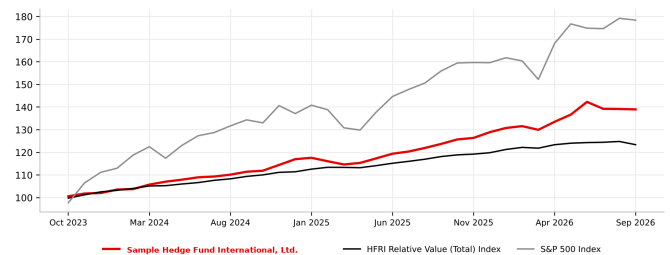
OCT 2023 TO SEP 2026

METRIC	FUND	HFRI RV INDEX	S&P 500
Annualized return	11.61%	7.27%	21.29%
Annualized volatility	4.24%	1.82%	12.38%
Skewness	-0.21	-1.04	0.13
Excess kurtosis	0.80	1.57	0.06
Annual Sharpe ratio (Rf 4.50%)	1.68	1.52	1.36
Sortino ratio (MAR 4.50%)	3.20	2.51	2.72
Correlation to Benchmark 1	0.34	1.00	0.69
Beta to Benchmark 1	0.80	1.00	4.69
Annualized tracking error vs Benchmark 1	3.99%	0.00%	11.21%
Max monthly loss	-2.15%	-1.14%	-5.75%
Normal monthly VaR 99%	-1.92%	-0.63%	-6.63%
Modified monthly VaR 99% (Cornish-Fisher)	-2.32%	-1.01%	-6.31%
Conditional monthly VaR 99% (historical)	-2.15%	-1.14%	-5.75%
Max drawdown	-2.51%	-1.14%	-7.81%
Date of max drawdown	Mar 2025	Sep 2026	Apr 2025
Max time under water (months)	4	2	4

All figures computed from monthly returns returned by the AlternativeSoft connector. Benchmark 1's own correlation, beta and tracking error read 1.000 / 1.000 / 0.00% by construction. Date of max drawdown is the trough month.

Growth of 100

MONTHLY COMPOUNDING



Annual returns

CALENDAR YEARS

SERIES	2023*	2024	2025	2026 YTD
Sample Hedge Fund International, Ltd.	2.1%	14.6%	10.2%	7.8%
HFRI Relative Value (Total)	2.6%	8.6%	7.5%	3.0%
S&P 500 Index	11.2%	23.3%	16.4%	11.8%

* 2023 covers Oct to Dec only. 2026 is year to date.

Sample Hedge Fund International, Ltd.

Anonymised sample · USD · Cayman Islands · Multi-strategy relative value and arbitrage

Sample report · anonymised

Period Oct 2023 to Sep 2026 (36 months)

Peer group: HFRI Relative Value (Total) Index (207 funds)

Benchmarks: HFRI Relative Value (Total) Index · S&P 500 Index

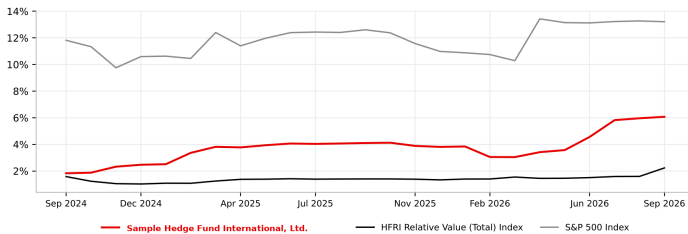
Risk-free 4.50%

Rolling risk

12-MONTH WINDOWS

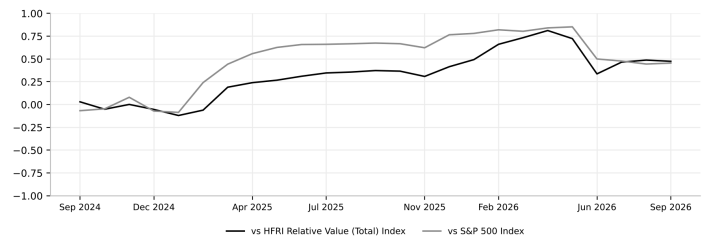
12-month rolling volatility

Annualized



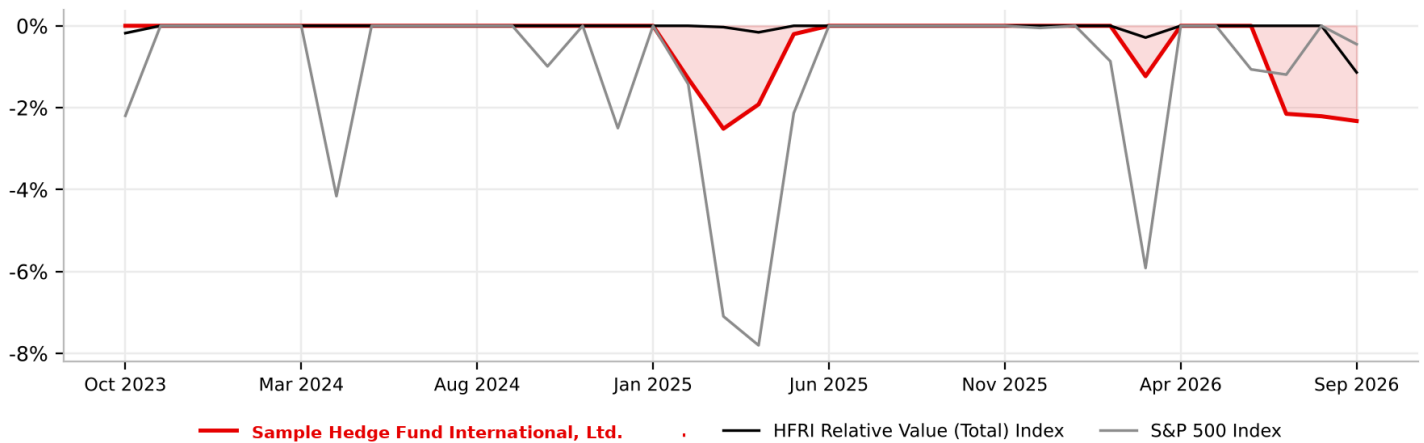
12-month rolling correlation

Fund vs each benchmark



Drawdown from previous peak

OCT 2023 TO SEP 2026



5 worst drawdowns

FUND

#	START	TROUGH	END	DRAWDOWN	TIME UNDER WATER (M)	HFRI RV INDEX (PEAK TO TROUGH)
1	Feb 2025	Mar 2025	May 2025	-2.51%	4	0.68%
2	Jul 2026	Sep 2026	Ongoing	-2.33%	3	-0.74%
3	Mar 2026	Mar 2026	Mar 2026	-1.23%	1	-0.29%

Window Oct 2023 to Sep 2026 (last 3 years). The deepest fall, -2.5% in Feb to Mar 2025, was recovered by May 2025; the Jul to Sep 2026 drawdown (-2.3%) is still open at Sep 2026. COVID-19 and the Ukrainian War fall before the window; only the Iran War (Jan to Mar 2026) is inside it.

Monthly returns (%)

FUND

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2026	1.44	0.62	-1.23	2.72	2.37	4.12	-2.15	-0.06	-0.12	-	-	-	7.81
2025	0.52	-1.29	-1.24	0.61	1.75	1.74	0.81	1.31	1.46	1.60	0.53	2.01	10.19
2024	1.50	0.19	1.92	1.21	0.82	0.97	0.33	0.75	1.17	0.41	2.28	2.22	14.64
2023	-	-	-	-	-	-	-	-	-	0.62	1.21	0.23	2.07

Sample Hedge Fund International, Ltd.

Anonymised sample · USD · Cayman Islands · Multi-strategy relative value and arbitrage

Sample report · anonymised

Period Oct 2023 to Sep 2026 (36 months)

Peer group: HFRI Relative Value (Total) Index (207 funds)

Benchmarks: HFRI Relative Value (Total) Index · S&P 500 Index

Risk-free 4.50%

Fund return during the 5 negative benchmark months

HFRI RELATIVE VALUE (TOTAL) INDEX

MONTH	HFRI RELATIVE VALUE (TOTAL)	FUND	OUTPERFORMANCE
Sep 2026	-1.14%	-0.12%	+1.02%
Mar 2026	-0.29%	-1.23%	-0.94%
Oct 2023	-0.18%	0.62%	+0.80%
Apr 2025	-0.13%	0.61%	+0.74%
Mar 2025	-0.03%	-1.24%	-1.21%

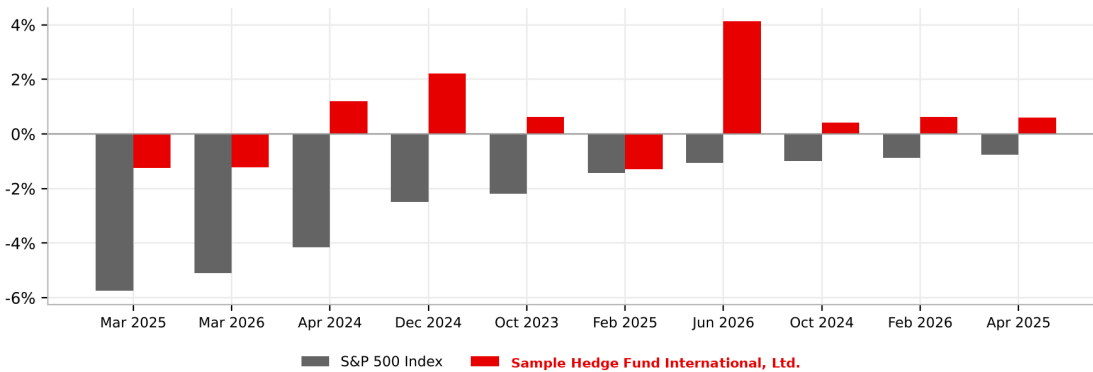
Stress test

FINANCIAL CRISIS WINDOWS

CRISIS	WINDOW	FUND	HFRI RV INDEX	S&P 500	OUTPERF. VS B1	OUTPERF. VS B2
Iran War	Jan 2026 to Mar 2026	0.81%	1.68%	-4.63%	-0.87%	+5.44%

10 worst benchmark months

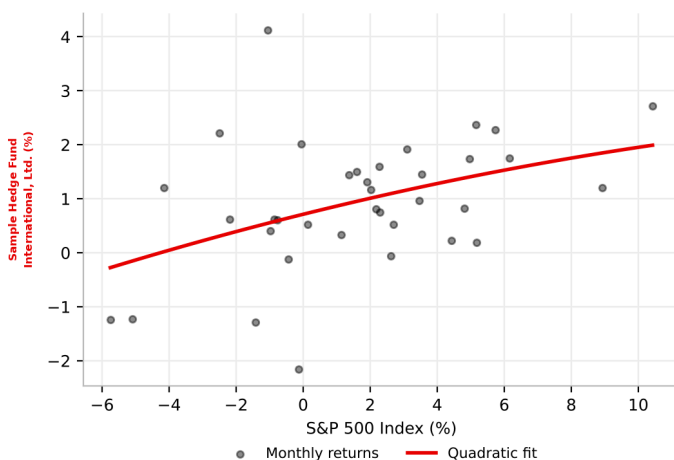
S&P 500 INDEX



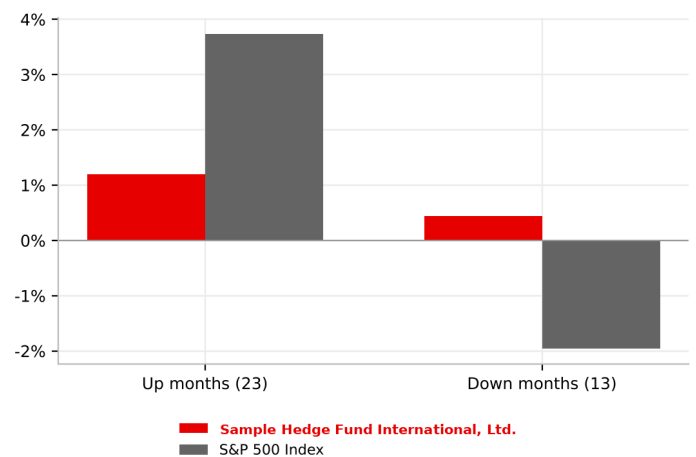
Fund convexity report

VS S&P 500 INDEX

Fund vs S&P 500 monthly returns

Quadratic fit: $y = c0 + c1 \cdot x + c2 \cdot x^2$ 

Average monthly return in up / down S&P 500 months



BETA	CONVEXITY C (X²)	T (X²)	UP-MARKET BETA	DOWN-MARKET BETA	UP-CAPTURE	DOWN-CAPTURE	CAPTURE SPREAD
0.143	-0.303	-0.28	0.142	0.209	32.2%	-21.9%	54.1%

The curvature term is **not** statistically significant ($|t| = 0.28 < 1.96$). Up / down months: 23 / 13. A negative down-capture means the fund's average return was positive in months the S&P 500 fell. Small sample: 36 months.

Sample Hedge Fund International, Ltd.

Anonymised sample · USD · Cayman Islands · Multi-strategy relative value and arbitrage

Sample report · anonymised

Period **Oct 2023 to Sep 2026** (36 months)

Peer group: HFRI Relative Value (Total) Index (207 funds)

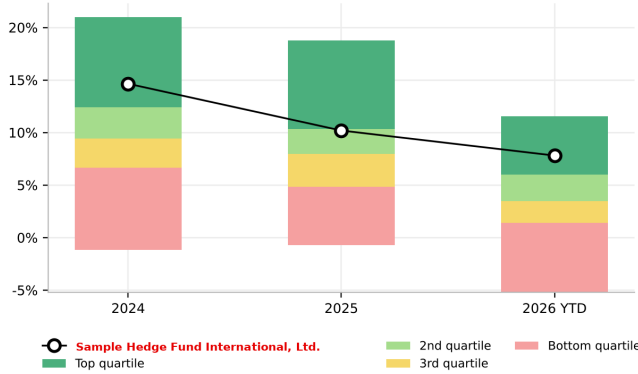
Benchmarks: HFRI Relative Value (Total) Index · S&P 500 Index

Risk-free 4.50%

Calendar-year returns vs peers

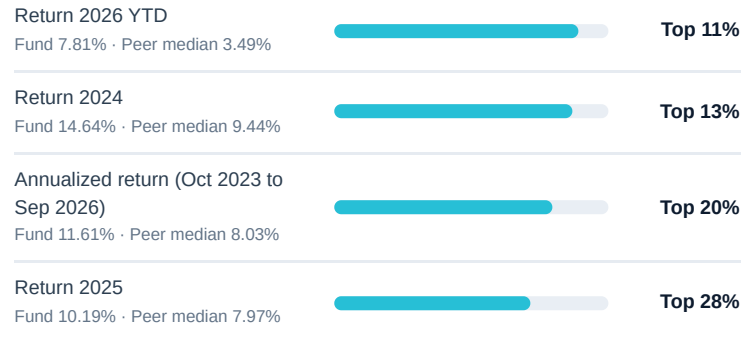
207 FUNDS

Bars: 5th to 95th percentile bands (green = best quartile). Circle: the fund.



Pros vs peer group

RANK = SHARE OF PEERS BEATEN



Pros vs peer group, in numbers

FUND AND PEER MEDIAN

STATISTIC	FUND	PEER MEDIAN	RANK
Return 2026 YTD	7.81%	3.49%	Top 11%
Return 2024	14.64%	9.44%	Top 13%
Annualized return (Oct 2023 to Sep 2026)	11.61%	8.03%	Top 20%
Return 2025	10.19%	7.97%	Top 28%

Rank = share of the 207 HFRI Relative Value (Total) constituents the fund beats; every fund measured by the connector over the same Oct 2023 to Sep 2026 window. Sharpe = (return - 4.5%) ÷ volatility for all funds.

Reading the peer result

The fund ranks in the top quartile in 2024 and 2026 year to date and in the top 20% on annualized return over the full window. Its 2025 return of 10.19% still sits above the peer median of 7.97% (top 28%).

Sample Hedge Fund International, Ltd.

Anonymised sample · USD · Cayman Islands · Multi-strategy relative value and arbitrage

Sample report · anonymised

Period Oct 2023 to Sep 2026 (36 months)

Peer group: HFRI Relative Value (Total) Index (207 funds)

Benchmarks: HFRI Relative Value (Total) Index · S&P 500 Index

Risk-free 4.50%

ANNUAL ALPHA (A×12)	T-STAT OF ALPHA	R ² / ADJ. R ²	TRACKING ERROR (ANN.)	ETF REPLICA RETURN (ANN.)	FUND NET RETURN (ANN.)
9.42%	4.30	0.53 / 0.47	3.08%	1.66%	11.61%

ETF replication: two-step Lasso

OCT 2023 TO SEP 2026, 36 MONTHS

Step 1: Lasso (LassoCV, 10-fold time-series cross-validation, standardised factors, intercept not penalised) on the 16 factors of the connector's "lasso factors" set with complete data. **Step 2:** OLS with intercept on the kept factors plus the S&P 500, which is always kept, then backward elimination until every non-forced factor has $p < 0.05$. ETF replica = $\sum \beta_i F_i$; replication = $\alpha + \sum \beta_i F_i$; annual alpha = $\alpha \times 12$.

FACTOR	PROXY	STEP 1 LASSO B	STEP 2 OLS B	T	P	SIG. AT 5%
Alpha (monthly)	Intercept	n/a	0.78%	4.30	0.000	Yes
FX carry (AltERS)	AltERS VW FX Carry Global Index	0.215	0.352	2.28	0.030	Yes
FX trend (AltERS)	AltERS VW FX Momentum Time Series Trend Index	0.242	0.273	2.63	0.013	Yes
Commodities (GSCI roll)	iShares GSCI Commodity Dynamic Roll Strategy ETF	-0.060	-0.095	-3.27	0.003	Yes
S&P 500	S&P500 Index	0.041	0.129	3.03	0.005	Yes

Fit statistics

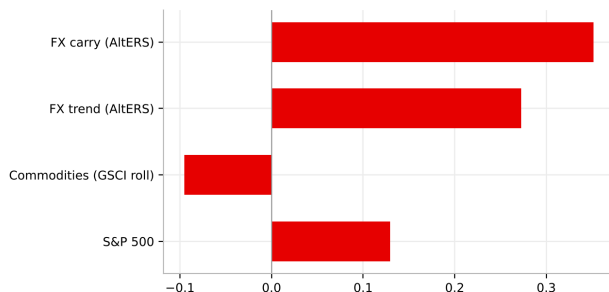
FIT STATISTIC	VALUE
R ² / adjusted R ²	0.530 / 0.470
F-stat (4, 31)	8.75 (p 0.0001)
Durbin-Watson	2.31
Tracking error (residual sd × $\sqrt{12}$)	3.08%
Lasso λ (CV)	0.0008

Return attribution

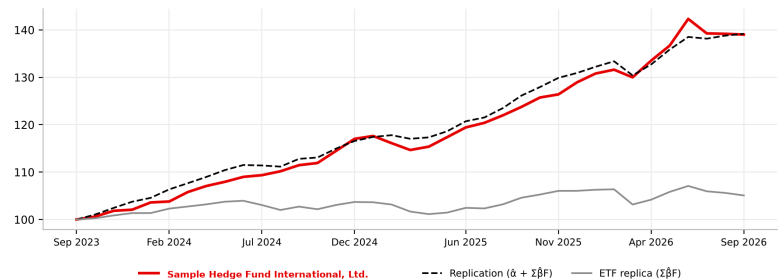
WHERE THE RETURN CAME FROM	% A YEAR
Factor return (ETF replica, $\sum \beta_i F_i$)	1.66%
+ Gross alpha (net - factor + fee)	12.84%
- Fees (est., 0.0% + 20% of gross)	-2.90%
= Net return	11.61%

Factor betas: final Step 2 model

Red = significant at 5%; S&P 500 is forced in



Growth of 100: fund, replication and ETF replica

Replication = $\alpha + \sum \beta_i F_i$; ETF replica = $\sum \beta_i F_i$ 

36 monthly observations against 16 candidate factors. Step 1 kept 10; step 2 left FX carry (β 0.35, p 0.030), FX trend (β 0.27, p 0.013), commodities (β -0.10, p 0.003) and the S&P 500 (β 0.13, p 0.005). The annual alpha of 9.4% has $t = 4.30$ and is statistically different from zero. The ETF replica alone returned 1.7% a year of the fund's 11.6% (R^2 0.53): almost all of the return is not explained by the factors.

Sample Hedge Fund International, Ltd.

Anonymised sample · USD · Cayman Islands · Multi-strategy relative value and arbitrage

Sample report · anonymised

 Period **Oct 2023 to Sep 2026** (36 months)

Peer group: HFRI Relative Value (Total) Index (207 funds)

Benchmarks: HFRI Relative Value (Total) Index · S&P 500 Index

Risk-free 4.50%

ANNUAL ALPHA (2-STEP LASSO)	TOTAL FEE COLLECTED / YR	FEE COVERAGE RATIO (ALPHA ÷ FEE)	PERCENTILE TOTAL-FEE RANKING	GROSS RETURN (EST.)	PERFORMANCE FEE COLLECTED
9.42%	2.90%	3.25×	90 / 206 44th percentile	14.51%	2.90%

Fee ranking

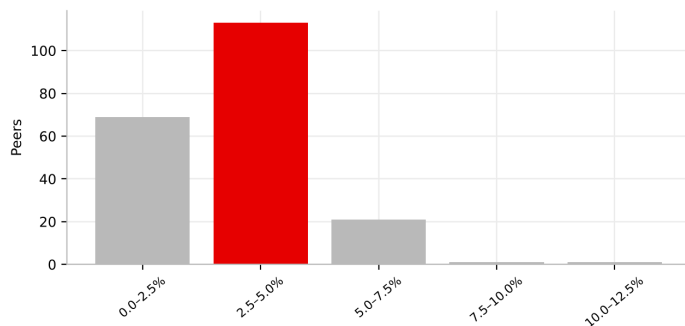
GROSS FEE VS ALPHA, HFRI RELATIVE VALUE (TOTAL) INDEX

MEASURE	FUND	PEER MEDIAN	PEER MIN	PEER MAX	RANK (1 = CHEAPEST)
Management fee	0.00%	1.50%	0.00%	2.35%	1= / 206
Performance fee rate	20%	20%	0%	30%	88= / 206
Performance fee collected / yr	2.90%	1.81%	0.00%	9.18%	167 / 206
Total fee / yr	2.90%	3.19%	0.20%	11.18%	90 / 206
Jensen alpha ÷ total fee	1.62×	0.56×	-11.18×	27.20×	36 / 206

Basis. Gross return = net annualized return ÷ (1 - performance fee) + management fee; total fee = gross return × performance fee + management fee (performance fee = 0 when net return ≤ 0). Fee coverage ratio = annual alpha (2-step Lasso) ÷ total fee. Fund: 11.61% ÷ 0.80 + 0% = 14.51% gross; 14.51% × 20% + 0% = 2.90% total fee. Peer row "Jensen alpha ÷ total fee" uses Jensen alpha = ret - [4.50% + β × (S&P 500 21.29% - 4.50%)] for every fund including this one (β 0.14, Jensen alpha 4.71%); rank 1 = highest coverage. Fees for this fund (0.00% / 20%): performance fee 20% from the connector; management fee not recorded, taken as 0%. Two peers with blank fee fields were excluded.

Peer total fee collected per year

Number of peers per bucket; red = the fund (2.90%)



Fund information

ITEM	DETAIL
Fund name	Sample Hedge Fund International, Ltd. - USD
Strategy	Multi-strategy: seeks to exploit market inefficiencies and engage in financial arbitrage, allocating capital across a diverse set of strategies and asset classes
Domicile / currency	Cayman Islands · USD
Management / performance fee	Management fee not recorded in the connector (0% used in the fee section) / 20% performance fee
Liquidity	Quarterly redemption, 0-day notice, no redemption fee; subscription frequency "Other"
Track record in connector	Jan 1990 to Sep 2026; months before Oct 2023 come from the proxy series. This report uses Oct 2023 to Sep 2026 (36 months)
Benchmarks	Connector settings: Credit Suisse Multi-Strategy Hedge Fund Index and S&P 500; this report uses HFRI Relative Value (Total) Index and S&P 500