



## Performance Update For March 2021

Bull X Capital is a long-term dollar-denominated hedge fund, focusing on public technology companies with high growth potential.

|                   | BullX  | Nasdaq  | S&P    |
|-------------------|--------|---------|--------|
| Month             | -17.5% | 0.41%   | 4.24%  |
| YTD               | -8.93% | 2.78%   | 5.77%  |
| Since March 2017* | 493%   | 127.40% | 68.08% |

\* Strategy has been running within our nostro account. In Nov 2020 it was converted to a hedge fund.

### Monthly Performance

|             | Jan    | Feb    | Mar     | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct     | Nov    | Dec     | Yearly         |
|-------------|--------|--------|---------|--------|--------|--------|--------|--------|--------|---------|--------|---------|----------------|
| <b>2017</b> |        |        | 3.68%   | 0.51%  | 10.31% | 0.41%  | 1.04%  | -0.52% | 7.03%  | 1.37%   | -2.35% | -1.03%  | <b>21.65%</b>  |
| <b>2018</b> | 9.22%  | 1.96%  | -6.78%  | 3.81%  | 13.83% | 4.93%  | -2.89% | 21.71% | 0.86%  | -10.39% | 4.83%  | -12.46% | <b>26.18%</b>  |
| <b>2019</b> | 12.34% | 10.74% | -0.91%  | 4.98%  | -8.14% | 9.18%  | 4.51%  | -7.13% | -8.64% | 7.92%   | 13.18% | 1.88%   | <b>43.22%</b>  |
| <b>2020</b> | 7.96%  | 4.78%  | -12.36% | 28.93% | 12.48% | 14.40% | 10.41% | 22.67% | -5.21% | -0.42%  | 35.34% | 4.17%   | <b>196.45%</b> |
| <b>2021</b> | 2.17%  | 8.04%  | -17.50% |        |        |        |        |        |        |         |        |         | <b>-8.93%</b>  |

Dear Partners,

High Growth tech names have depreciated sharply since the start of the sector rotation in mid-February.

Most names have lost more than 20% as investors have fled the space—supposedly fearful of rising interest rates brought on by expectations of higher inflation. The Fed is not concerned about rising inflation, as it believes that the rising prices (PPI) are mostly linked to the end of covid lockdowns and a quick opening of the economy. While the market thought that the inflation is not stationary, rather permanent. Those fears led to a valuation reset for growth companies due to the current value of future cash flow.

The flip side of this is that companies in the space have seen a noticeable increase in percentage growth that shows no signs of abating.



The concept and implementation of digital transformation is a powerful and long-lived tailwind behind the rapid growth of leading IT companies.

The combined result of lower share prices and faster percentage growth in both revenues and free cash flow margins has yielded the lowest valuation seen in more than a year-and probably in the last 18 months.

March seasonality (beginning of year, no notable earnings) has been an under-performing month over the years. We maintain a bit more defensive position due to the inflation risks in the market and are slowly adding more growth names into the mix.

**We have complete faith of our 20-30% target for the fund for the fiscal year.**

Remember, these are long term investments.



Thank you!

BullX Team

## Data Points

US 10Y Treasury and the fear of inflation:

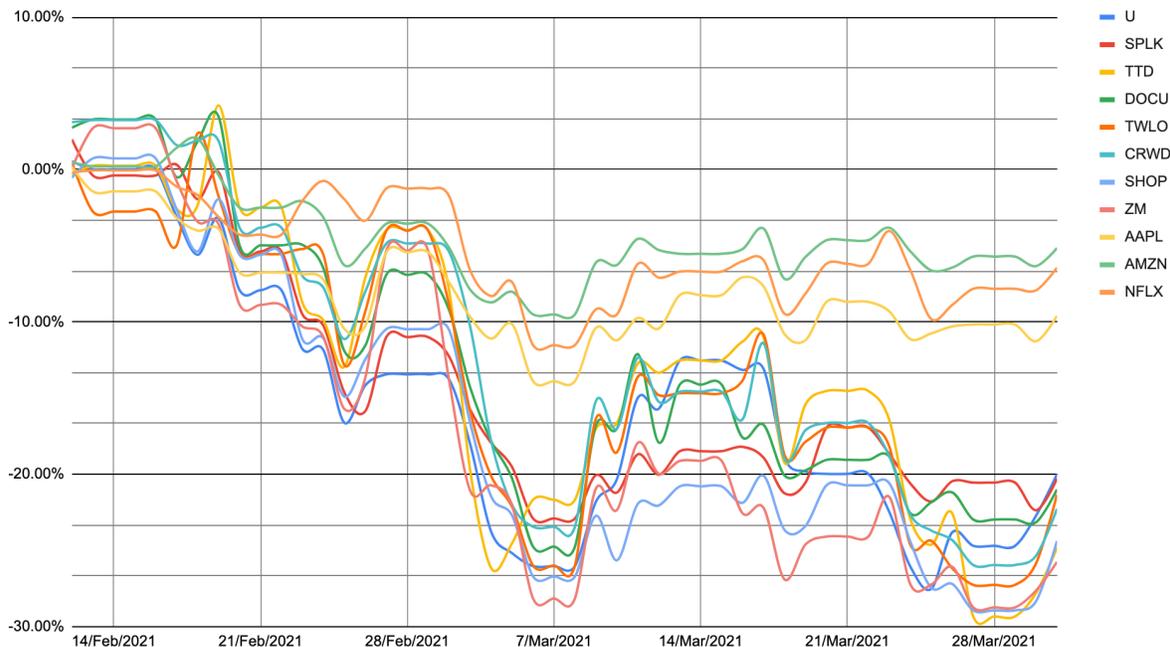


Notable % down from the 52 wk highs

(some are in our portfolio) - as of March 31st, 2021

| Name                       | Ticker | Price      | 52wk high  | Change % |
|----------------------------|--------|------------|------------|----------|
| Unity Software Inc.        | U      | \$100.31   | \$174.94   | -42.66%  |
| Splunk Inc.                | SPLK   | \$135.48   | \$225.89   | -40.02%  |
| The Trade Desk, Inc.       | TTD    | \$651.66   | \$972.80   | -33.01%  |
| DocuSign, Inc.             | DOCU   | \$202.45   | \$290.23   | -30.24%  |
| Twilio Inc.                | TWLO   | \$340.76   | \$457.30   | -25.48%  |
| CrowdStrike Holdings, Inc. | CRWD   | \$182.51   | \$251.28   | -27.37%  |
| Shopify Inc.               | SHOP   | \$1,106.50 | \$1,499.75 | -26.22%  |
| Zoom                       | ZM     | \$321.29   | \$588.84   | -45.44%  |
| Apple Inc.                 | AAPL   | \$122.15   | \$145.09   | -15.81%  |
| Amazon                     | AMZN   | \$3,094.08 | \$3,552.25 | -12.90%  |
| Netflix, Inc.              | NFLX   | \$521.66   | \$593.29   | -12.07%  |

Performance



← **Tweet**



**Michael Arrington**  @arrington · Mar 31



OH from team on a trade we made that hasn't worked out: "We weren't wrong, we just aren't right yet"

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 1

 49



**The Motley Fool**   
@themotleyfool

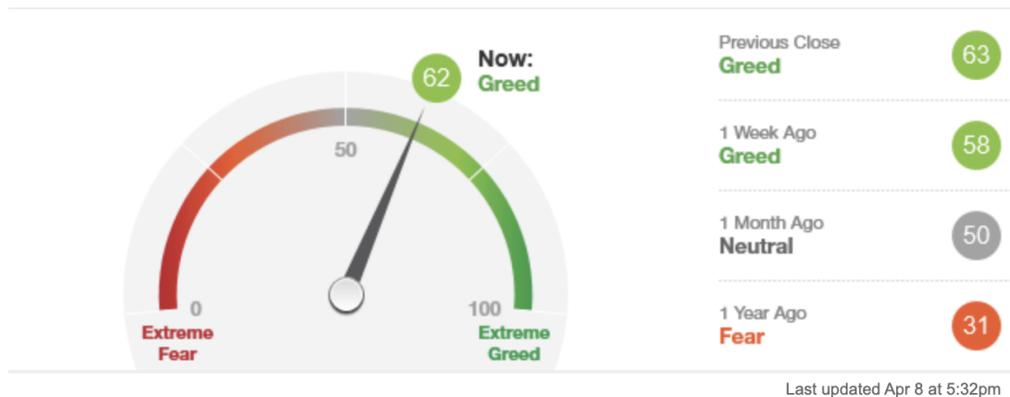
Speculating: < 1 year  
 Betting: 1-5 years  
 Investing: 5+ years

## Market View

1. Schannep Timing Indicator - Full Allocation
2. CNN Business Fear&Greed Index

## Fear & Greed Index

What emotion is driving the market now?



| Fund Details           |  |                           |                       |
|------------------------|--|---------------------------|-----------------------|
| <b>Structure</b>       | Israel Partnership                       | <b>Prime Broker</b>       | Bank Hapoalim         |
| <b>General Partner</b> | Bull X Fund Management Ltd               | <b>Minimum Investment</b> | \$200,000             |
| <b>Style</b>           | Thematic - Software based tech companies | <b>Mgmt Fees</b>          | 1% p.a.               |
| <b>Administrator</b>   | Tzur Management Ltd                      | <b>Success Fee</b>        | 20% & High Water Mark |

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