



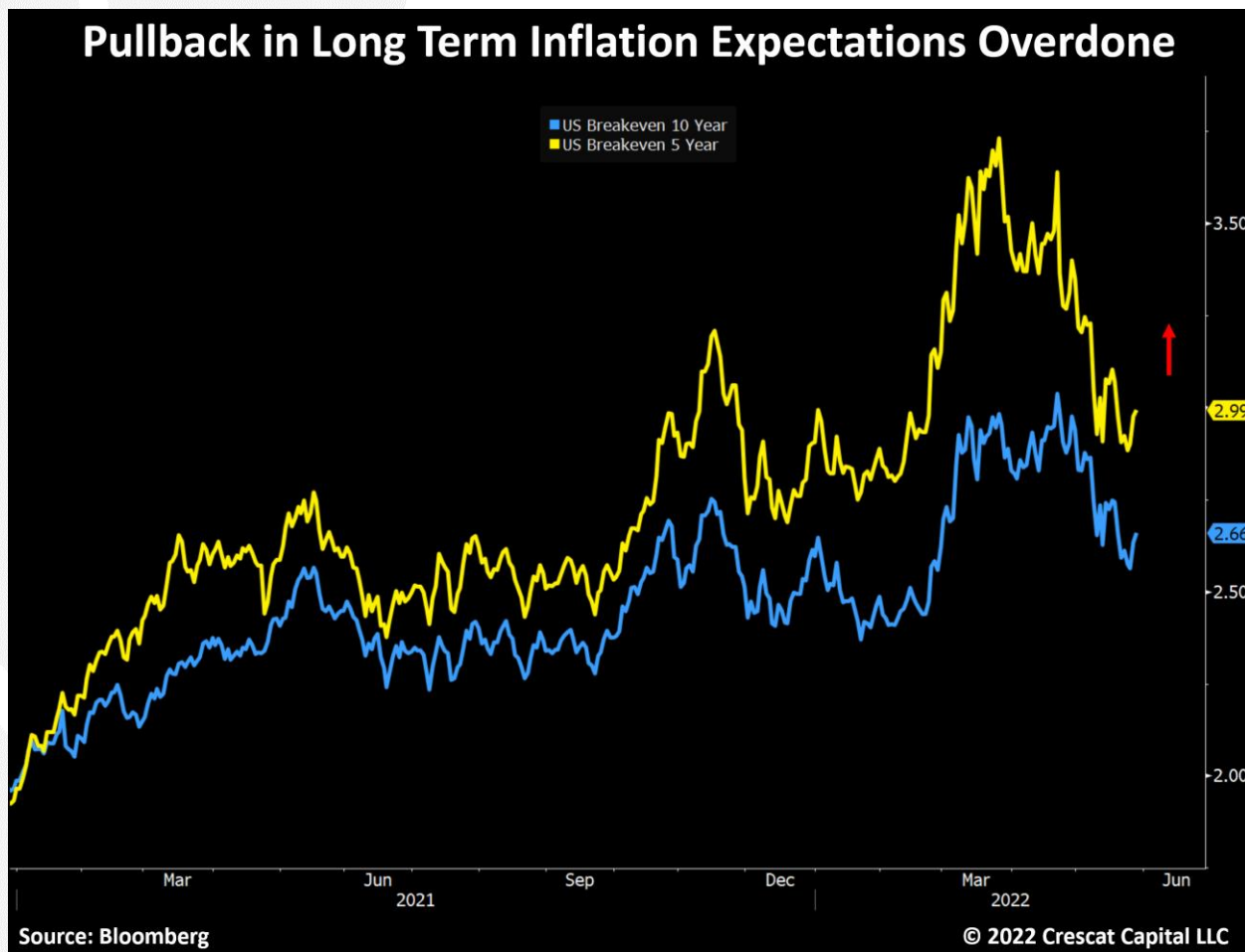
June 5, 2022

Dear Investors:

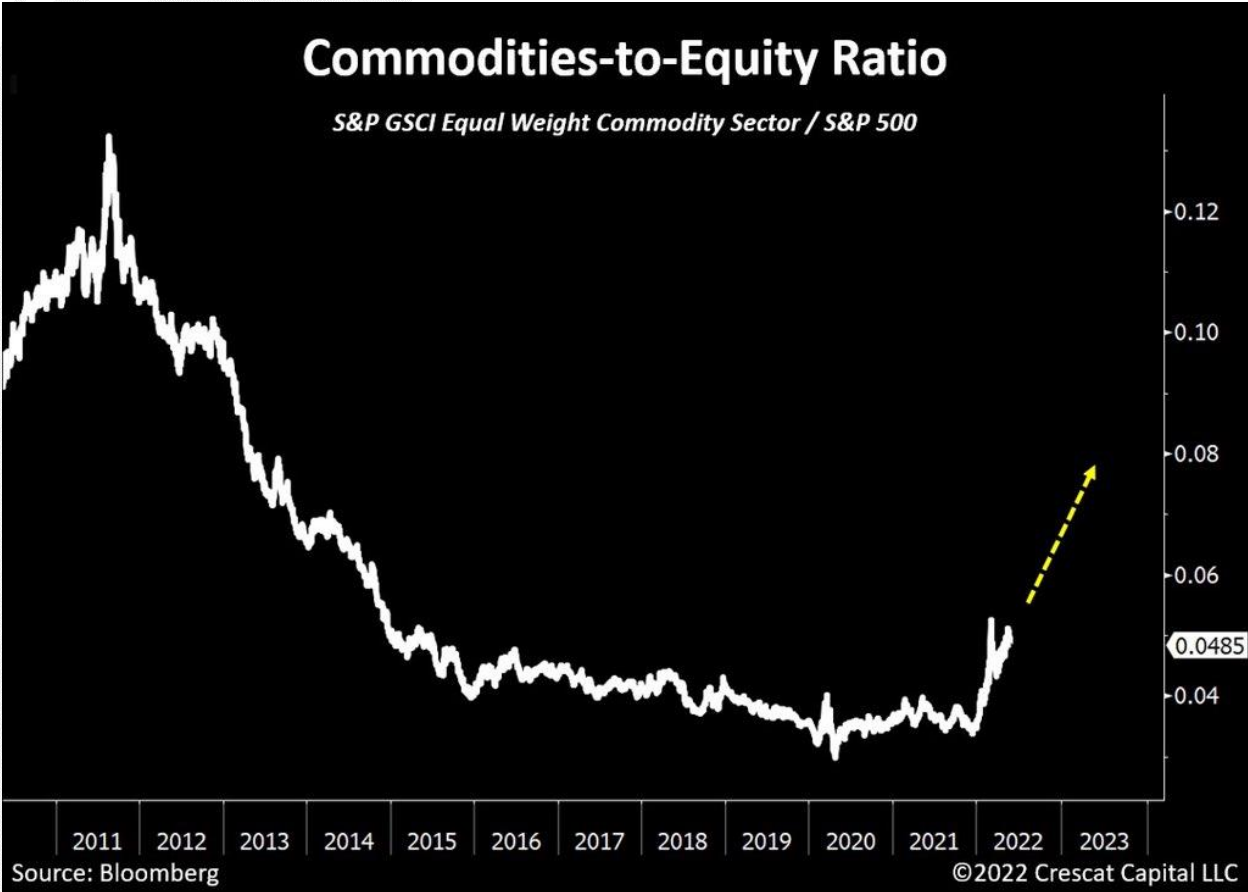
Crescat's May performance was negatively impacted by the downturn in the precious metals markets. The pullback was caused by declining medium and long-term inflation expectations during the month. This was all due to continued market apprehension over the Fed's planned interest rate hikes.

General market perception today and aversion to precious metals, in our opinion, is no different than it was during the "inflation is transitory" barrage that the Fed and Treasury gave the world over a year ago. Policy officials got it totally wrong then, which they now admit. However, the market bought into the "Fed speak" then, and it is buying into it again today, as if its current tightening posture will have any influence at all in bringing down inflationary pressures on the supply side of the commodity markets. It won't because the Fed's policies do not stimulate commodity inventories, the core inflationary problem today. In fact, raising interest rates is likely to have the opposite effect because it makes the cost of capital for investment in new commodity production higher. The Fed was powerless to stop long-term structural inflationary pressures then, and it remains just as powerless today.

We believe long-term inflation expectations are still too low and will turn back up again soon.



We furthermore expect our precious metals performance to turn back in a material way soon, as commodity inflationary pressures continue to exert themselves in a persistent manner.



Please see the macro case for the above statements and our positioning across Crescat in our recent research letter: <https://www.crescat.net/may-research-letter-too-soon/>

## Net Performance Since Inception

### Crescat Strategies Net Returns through April 30, 2022

CRESCAT STRATEGIES VS. BENCHMARK (Inception Date)	April	YTD	Annualized Trailing			SINCE INCEPTION	CUMULATIVE SINCE INCEPTION	YEARS SINCE INCEPTION
			1-YEAR	3-YEAR	5-YEAR			
<b>Global Macro Hedge Fund</b> (Jan.1, 2006)	11.4%	40.7%	24.1%	29.8%	12.4%	13.3%	667.6%	16.3
Benchmark: HFRX Global Hedge Fund Index	-0.9%	-2.2%	-1.6%	4.4%	2.6%	1.1%	19.8%	
<b>Long/Short Hedge Fund</b> (May 1, 2000)	1.1%	19.4%	14.2%	25.1%	11.4%	8.4%	488.4%	22.0
Benchmark: HFRX Equity Hedge Index	-1.7%	-2.0%	3.9%	6.0%	4.1%	2.6%	77.7%	
<b>Precious Metals Hedge Fund</b> (August 1, 2020)	-6.3%	-3.7%	-1.0%	-	-	84.1%	190.9%	1.7
Benchmark: Philadelphia Gold and Silver Index	-9.9%	8.2%	1.9%	-	-	-3.1%	-5.4%	
<b>Large Cap SMA</b> (Jan. 1, 1999)	-4.8%	7.7%	-1.8%	12.5%	8.8%	10.4%	900.4%	23.3
Benchmark: S&P 500 Index	-8.7%	-12.9%	0.2%	13.8%	13.6%	7.3%	420.0%	
<b>Precious Metals SMA</b> (June 1, 2019)	-7.2%	-9.2%	-17.5%	-	-	38.5%	158.8%	2.9
Benchmark: Philadelphia Gold and Silver Index	-9.9%	8.2%	1.9%	-	-	29.1%	110.7%	

Sincerely,

Kevin C. Smith, CFA  
Member & Chief Investment Officer

Tavi Costa  
Member & Portfolio Manager

For more information including how to invest, please contact:

Marek Iwahashi  
Client Service Associate  
[miwahashi@crescat.net](mailto:miwahashi@crescat.net)  
303-271-9997

Cassie Fischer  
Client Service Associate  
[cfischer@crescat.net](mailto:cfischer@crescat.net)  
(303) 350-4000

Linda Carleu Smith, CPA  
Member & COO  
[lsmith@crescat.net](mailto:lsmith@crescat.net)  
(303) 228-7371

© 2022 Crescat Capital LLC

### Important Disclosures

Performance data represents past performance, and past performance does not guarantee future results. An individual investor's results may vary due to the timing of capital transactions. Performance for all strategies is expressed in U.S. dollars. Cash returns are included in the total account and are not detailed separately. Investment results shown are for taxable and tax-exempt clients and include the reinvestment of dividends, interest, capital gains, and other earnings. Any possible tax liabilities incurred by the taxable accounts have not been reflected in the net performance. Performance is compared to an index, however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. There should be no expectation that any strategy will be profitable or provide a specified return. Case studies are included for informational purposes only and are provided as a general overview of our general investment process, and not as indicative of any investment experience. There is no guarantee that the case studies discussed here are completely representative of our strategies or of the entirety of our investments, and we reserve the right to use or modify some or all of the methodologies mentioned herein.

**Separately Managed Account (SMA) disclosures:** The Crescat Large Cap Composite and Crescat Precious Metals Composite include all accounts that are managed according to those respective strategies over which the manager has full discretion. SMA composite performance results are time weighted net of all investment management fees and trading costs including commissions and non-recoverable withholding taxes. Investment management fees are described in Crescat's Form ADV 2A. The manager for the **Crescat Large Cap** strategy invests predominately in equities of the top 1,000 U.S. listed stocks weighted by market capitalization. The manager for the **Crescat Precious Metals** strategy invests predominantly in a global all-cap universe of precious metals mining stocks.

**Hedge Fund disclosures:** Only accredited investors and qualified clients will be admitted as limited partners to a Crescat hedge fund. For natural persons, investors must meet SEC requirements including minimum annual income or net worth thresholds. Crescat's hedge funds are being offered in reliance on an exemption from the registration requirements of the Securities Act of 1933 and are not required to comply with specific disclosure requirements that apply to registration under the Securities Act. The SEC has not passed upon the merits of or given its approval to Crescat's hedge funds, the terms of the offering, or the accuracy or completeness of any offering materials. A registration statement has not been filed for any Crescat hedge fund with the SEC. Limited partner interests in the Crescat hedge funds are subject to legal restrictions on transfer and resale. Investors should not assume they will be able to resell their securities. Investing in securities involves risk. Investors should be able to bear the loss of their investment. Investments in Crescat's hedge funds are not subject to the protections of the Investment Company Act of 1940. Performance data is subject to revision following each monthly reconciliation and annual audit. Current performance may be lower or higher than the performance data presented. The performance of Crescat's hedge funds may not be directly comparable to the performance of other

private or registered funds. Hedge funds may involve complex tax strategies and there may be delays in distribution tax information to investors.

Investors may obtain the most current performance data, private offering memoranda for a Crescat's hedge funds, and information on Crescat's SMA strategies, including Form ADV Part II, by contacting Linda Smith at (303) 271-9997 or by sending a request via email to [lsmith@crescat.net](mailto:lsmith@crescat.net). See the private offering memorandum for each Crescat hedge fund for complete information and risk factors.