

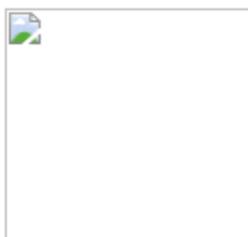
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**Subject:** Eagle's View Capital Management, LLC- February 2016 Performance Update...

**Date:** Sun, 20 Mar 2016 14:45:10 +0000

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## Eagles View Capital Management, LLC February 2016 Performance Update

**Mar 20, 2016**

### **Risk Manager Sales**

Dear Partners/Friends,

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Performance of Eagle's View Capital Partners, L.P. is estimated at -0.51% for February with YTD performance estimated at -2.30% net of all fees and expenses.

Performance of Eagle's View Offshore Fund, Ltd. Class G is estimated at -0.76% for February with YTD performance estimated at -3.24% net of all fees and expenses.

Performance of Eagle's View Offshore Fund, Ltd. Class B ("High Alpha") is estimated at -0.85% for January with YTD performance estimated at -3.58% net of all fees and expenses. This Share Class seeks to generate substantially higher returns through a more concentrated portfolio of some of our historically higher return opportunities. Investors in this Class should have a willingness to accept increased volatility and risk in exchange for the potential of higher returns.

Despite the recent rapid run-up in the broader equity markets, the rally belies enormous pain experienced by certain hedge fund strategies, which by some measures is worse than that experienced during the 2008 financial crisis. According to a Bloomberg article dated March 15, Russell 3000 Index companies in which hedge funds have the highest ownership percentage have plunged 31% since July 2015, compared with a 2.8% decline in the S&P 500 index. Losses are even steeper when considering companies with at least 20 different hedge fund investors. An index tracking those most concentrated companies has plunged 45% from July 2015 through the end of February, according to Novus, which follows a universe of almost 1,200 US stocks. That's a worse relative performance for the group than any equivalent stretch during the 2008 financial crisis, and the worst since at least 2005. According to Nicholas Colas, chief market strategist at Convergenx Group LLC and former analyst at SAC Capital Advisors, "This

is called a risk manager's sale. It's not anything fundamentally wrong with the companies. It's because other people are selling, and it's getting pummeled and eventually someone taps your shoulder and says 'You have to sell this.' Moreover, equities with widespread short interest have failed to keep pace and in some cases have rallied, causing pain for funds both on the long and short sides. Interestingly, given that both longs and shorts have hurt hedge funds this year, in some cases market neutral funds have actually fared worse than long-biased funds and strategies.

As we have witnessed, some very large, historically successful, and famous managers are suffering some of the worst losses they've seen in such a short period of time. While we are reluctant to go into specific names, the industry is littered with large and famous funds that have sustained substantial and in some cases, double-digit losses thus far this year. ***We believe this helps to debunk the myth of the perception of safety among large and well-known managers.*** To be sure, stress within the fundamental long/short equity space has spilled over and caused dislocations and distortions in other strategies. The huge flows going through the markets as a result of the massive deleveraging by large and small hedge funds alike has caused substantial dislocation and inefficiencies in numerous markets. We firmly believe that this will create fantastic opportunities; in the meantime, however, the short-term pain continues. According to a March 4 Morgan Stanley report, during February, hedge funds experienced the worst 10-day period of relative performance since 2011. Benjamin Dunn, President of Alpha Theory Advisors, observed: "There's just too much capital chasing too few ideas, and no liquidity. The problem is genuinely differentiated managers are getting crushed by deleveraging...." Given the amount of liquidation and deleveraging that has already occurred, we believe we are nearer the end than the beginning.

Although Eagle's View is suffering some pain, fortunately, we are widely diversified across numerous non-correlated strategies, many of which remain unaffected by the stress within the hedge fund industry. That said, we have not been able to fully avoid the dislocation and liquidations that are happening, and therefore, we are suffering some losses. While we hate losses more than the next guy, we realize this is an inevitable part of the business at times. We've made an effort to prepare for these episodes through a more defensive posture, and greater diversification among strategies. While the process is painful, we recognize that sometimes we are forced to lose a little before (hopefully) making a lot as opportunities present. Price movements as a result of forced sales and purchases ultimately should present a strong opportunity set. Wealth preservation and keeping losses, when they do occur, modest is key to our philosophy and risk management efforts.

During these times of confusion among Fed policy makers, negative interest rates around the world, nearly unprecedented rapid market movements, hedge fund deleveraging, etc., Eagle's View has reacted by further increasing the diversity of our strategy base. We expect our losses to be contained and our portfolio to withstand further shocks, should they occur. Equally important, we expect to capitalize upon current opportunities in a material way during the period ahead.

We are accepting new investment within our Fund of Funds products as well as within our Advisory business. Please contact me if you have questions or are interested in our products and services.

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Kindest regards,

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