

**Mutoro Group Partners, LP**  
Third Quarter 2020 Letter

November 14, 2020

*“Newton’s patience was limitless. Truth, he said much later, was ‘the offspring of silence and meditation.’ And he said: ‘I keep the subject constantly before me and wait ‘till the first dawns open slowly, by little and little, into a full and clear light.’”*

– James Gleick, *Isaac Newton* (2003)

	Jan. – Sep. 2020	Q3 2020	Since 2015: Aggregate	Since 2015: Annualized
Mutoro Group Partners, LP (Gross)	14.20%	7.18%	70.99%	9.78%
Mutoro Group Partners, LP (Net)	10.38%	5.50%	43.51%	6.48%
HFRI Fund Weighted Composite Index	0.46%	4.06%	19.65%	3.17%

Dear Partner,

For the nine months through September 30th, our gross return was 14.20%. Net of fees and expenses, the fund was up 10.38%. We did not add new positions to the portfolio in the third quarter, and we did not exit any positions. In this central way—buying and selling—the quarter was less active than the first and second. If the first half of the year featured intense investment activity, the third quarter was about patience and resolve. That we can go from almost-obsessive market activity to patience is a unique advantage for us; we face no pressure to act unless it is beneficial to us. Buying and selling well is essential, but just as crucial is waiting well. I tend to fill that time by broadening my reading beyond the business press and regulatory filings, for example finishing 19 books in the third quarter alone versus 14 in the first and second combined.

All knowledge is a set of forecasts with uncertain expiration dates. Most knowledge never expires in our lifetimes, whereas some loses value more quickly than expected. The fund’s current outlook is strong, considering the likelihood of what we know about the world, the likelihood of what we *don’t* know, and all the wildness in-between.

The exhibit below shows the composition of our portfolio at the end of the third quarter:

Cash and Cash Equivalents	7.9%
European Public Equities	12.0%
<u>U.S. Public Equities</u>	<u>80.1%</u>
Total Portfolio	100.0%

I expect to write a longer year-end letter. Between now and then, I hope you and your loved ones stay healthy as the country unfortunately revisits a surge in cases of COVID-19. Like you, I will be wearing masks, maintaining good hand hygiene, respecting physical distance, and staying upbeat. As always, thank you for your partnership.

Sincerely,



Godfrey M. Bakuli  
Managing Partner