



Preqin Performance Benchmarks: June 2013

Preqin's preliminary benchmarks for June 2013.

Fig. 1: Summary of Preliminary June 2013 Performance Benchmarks (Net Return, %)

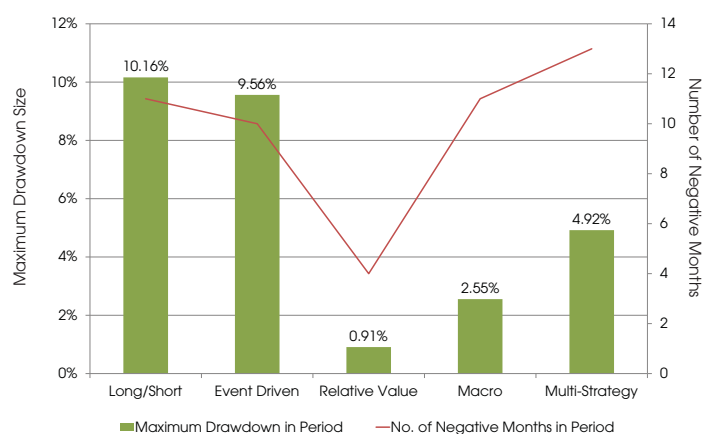
	June 2013	May 2013	Q2 2013	Annualized 3 Years
Hedge Funds (All Strategies & Regions)	-1.45	1.06	0.26	7.87
Long/Short	-1.62	1.31	0.34	7.97
Event Driven Strategies	-0.69	2.17	2.61	9.71
Relative Value	-0.45	0.42	0.93	7.36
Macro Strategies	-1.41	0.11	-1.21	6.36
Multi-Strategy	-1.51	0.87	-0.27	7.05
North America	-0.49	1.81	1.75	11.74
Europe	-0.91	1.89	1.45	6.21
Asia-Pacific	-1.80	0.32	0.91	8.87
Emerging Markets	-3.23	0.39	-1.78	6.54
Developed Markets	-1.07	1.25	0.86	7.32
USD	-1.41	1.11	0.43	8.34
EUR	-1.17	0.87	0.05	4.23
JPY	0.11	-0.20	6.31	10.37
GBP	-0.41	0.81	-0.16	2.71
BRL	-2.17	-0.12	-1.80	10.33
Funds of Hedge Funds (All Strategies & Regions)	-1.77	0.73	-0.38	3.31
Long/Short	-2.01	1.32	-0.04	3.55
Multi-Strategy	-1.42	0.61	-0.04	3.18
USD	-1.88	0.68	-0.49	3.48
EUR	-2.24	0.51	-1.00	1.26
UCITS Hedge Funds (All Strategies & Regions)	-1.66	0.46	-0.60	2.93
Long/Short	-1.81	1.01	-0.08	4.46
Relative Value	-0.49	0.51	0.32	1.72
Macro Strategies	-2.25	-0.75	-2.68	1.08
USD	-2.54	0.36	-1.57	3.03
EUR	-2.02	0.60	-0.72	2.11
CTAs (All Strategies & Regions)	-1.69	-2.06	-2.86	3.38
USD	-1.46	-2.34	-2.79	3.48
EUR	-2.54	-2.63	-3.73	0.24

Source: Preqin Hedge Fund Analyst

Preqin's latest market benchmarks show that hedge funds suffered their first negative month in June 2013 since May 2012, posting an average net return of -1.45%. All strategies reported a fall for the month, with the 1.62% loss made by long/short funds particularly notable. Hedge funds targeting emerging markets declined by more than three percentage points and are only marginally positive in the year to date. The performance of macro hedge funds in 2013 tipped into negative territory after a return of -1.41% in June and the 1.69% decline posted by CTAs represents the second consecutive month of losses for this group.

Fig. 2 provides an illustration of the down periods experienced by different hedge fund strategies in recent years. Despite delivering superior returns over the last three years, the long/short and event driven sectors each suffered drawdowns of close to 10% during 2011. These strategies posted 10 and 11 loss-making months out of the last 36 months respectively. Relative value funds minimized both the number of negative months (four) and the size of maximum drawdown (0.91%) over the last three years.

Fig. 2: Negative Performance of Hedge Funds, July 2010 - June 2013



Source: Preqin Hedge Fund Analyst