Press Release

12th May 2017

Hedge Funds Post Further Gains of 0.76% in April

However, macro strategies suffer second successive month of losses, the only leading strategy to post any monthly negative returns in 2017 YTD

The Preqin All-Strategies Hedge Fund benchmark returned 0.76% in April, its sixth consecutive month of gains, taking 2017 YTD and 12-month performance to 3.99% and 10.67% respectively. In contrast to the wider benchmark, macro strategies have posted two consecutive month of losses, having returned -0.27% in April and -0.09% in March. However, all other leading strategies have been above water in each month of the year so far. Equity and event driven strategies have outperformed the industry benchmark in 2017 posting robust returns in April of 1.03% and 0.87% respectively. Multi-strategy funds (+0.52%) and credit strategies (+0.21%) also enjoyed gains in April and, along with event driven strategies, have now posted 14 successive months of positive returns.

To see the full April hedge fund performance benchmarks, please view the factsheet below:

Other Key Hedge Fund Performance Facts:

- **The Preqin All-Strategies Hedge Fund benchmark returned 0.76% in April**, following on from gains of 0.74% in March, taking 2017 YTD performance to 3.99%.
- **CTAs continued their recent up-and-down performance with gains of 0.49% in April**, the fifth month in a row without consecutive positive or negative monthly returns.
- After losses in 2016, funds of hedge funds have recovered in 2017, **posting gains of 0.59% in April to take year-to-date performance to 1.82%**.
- H**edge funds larger than $1bn returned 0.86% in April**; 2017 YTD performance (+4.14%) exceeds all other size classifications*.
- **Emerging markets have made gains of 6.66% in 2017 YTD outstripping developed markets** (+2.56%).
- Activist hedge funds have added positive returns in every month bar one (October) over the past year; **gains of 1.17% in April take Activists 12-month performance to 15.96%**.
- **Discretionary hedge funds returned 1.06%, taking 12-month performance to 12.43%** while, in comparison, systematic funds posted smaller gains of 0.75% in April and 7.09% over 12 months.
- **Alternative mutual funds posted returns of 0.43% in April** after losses in March (-0.19%), while UCITS returned 0.57.

Amy Bensted, Head of Hedge Fund Products:

"The run of strong returns over the past year has continued into April with the hedge fund industry adding another month of gains. Although the 12-month return of 10.67% exceeds the return expectations of most investors tracked by Preqin, fund managers are mindful of the fact that a significant number of investors are still concerned by the long-term value of the asset class, and are thus keen to ensure that this level of performance continues."

Preqin size classifications:** ***Emerging (less than $100mn); Small ($100-499mn); Medium ($500-999mn); Large ($1bn plus)

Preqin is the leading source of information for the alternative assets industry, providing insight and analysis gathered by its global teams of dedicated researchers. Founded in 2003, the company is a frequent source of intelligence used in the global financial press, through its online databases, regular publications and bespoke data requests.

For more information, contact our dedicated press team at press@preqin.com or call (+44) 20 3207 0265.

PREQIN'S APRIL 2017 HEDGE FUND PERFORMANCE BENCHMARKS

Summary of Preliminary April 2017 Performance Benchmarks (Net Return, %)*

	April 2017	March 2017	2017 YTD	12 Months
Hedge Funds	**0.76**	**0.74**	**3.99**	**10.67**
HF - Equity Strategies	1.03	1.09	4.06	13.36
HF - Event Driven Strategies	0.87	0.41	4.28	15.35
HF - Relative Value	0.05	0.46	1.44	5.68
HF - Macro Strategies	-0.27	-0.09	0.87	4.72
HF - Multi-Strategy	0.52	0.71	3.45	8.63
HF - Credit Strategies	0.21	0.58	2.86	9.61
Activist	1.17	0.81	4.90	15.96
Volatility	0.92	0.37	2.67	7.41
Discretionary	1.06	0.84	4.69	12.43
Systematic	0.75	0.51	3.09	7.09
HF - North America	0.47	0.60	3.20	12.60
HF - Europe	1.41	0.95	4.36	9.07
HF - Asia-Pacific	0.82	1.40	5.48	9.62
HF - Developed Markets	0.48	0.35	2.56	9.33
HF - Emerging Markets	1.27	1.10	6.66	14.03
HF - Emerging (Less than $100mn)	0.63	0.66	3.74	10.68
HF - Small ($100-499mn)	0.81	0.74	3.98	11.02
HF - Medium ($500-999mn)	0.57	0.76	3.54	11.28
HF - Large ($1bn plus)	0.86	0.73	4.14	9.89
Funds of Hedge Funds	**0.68**	**0.74**	**2.20**	**4.97**
FOHF - Equity Strategies	1.25	1.07	3.77	7.49
FOHF - Multi-Strategy	0.49	0.72	1.91	4.29
FOHF - USD	0.85	0.73	2.51	5.92
FOHF - EUR	0.39	0.68	1.49	2.20
Alternative Mutual Funds	**0.43**	**-0.19**	**2.04**	**4.60**
UCITS	**0.57**	**0.71**	**2.96**	**5.22**
UCITS - Equity Strategies	0.73	1.29	4.81	7.57
UCITS - Relative Value	0.61	0.20	1.42	2.23
UCITS - Macro Strategies	-0.07	0.36	0.87	3.08
UCITS - USD	0.73	0.87	4.03	6.02
UCITS - EUR	0.45	0.59	2.41	4.46
CTAs	**0.49**	**-0.41**	**-0.09**	**-0.88**
Discretionary	2.16	0.20	1.62	6.90
Systematic	0.24	-0.68	-0.15	-2.36
CTA - USD	0.18	-0.54	-0.15	-1.14
CTA - EUR	1.25	-0.15	1.02	-1.11

Source: Preqin Hedge Fund Online

**Please note, all performance information includes preliminary data for April 2017 is based on net returns reported to Preqin in early May 2017. Although stated trends and comparisons are not expected to alter significantly, final benchmark values are subject to change.*

HEDGE FUND ONLINE

Preqin's **Hedge Fund Online** is the leading source of intelligence on the hedge fund industry, and contains performance information for over 15,000 hedge funds across all leading strategies and geographies.

For more information, or to arrange a demonstration, please visit:

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