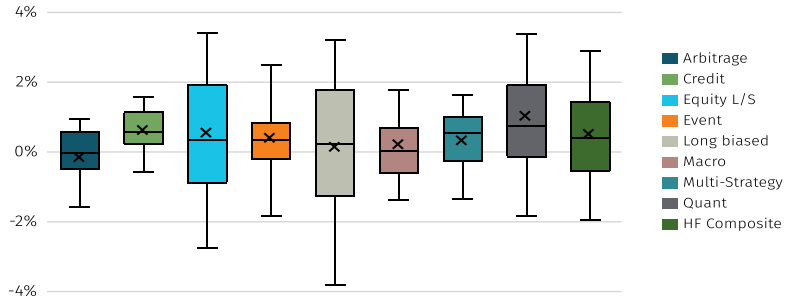
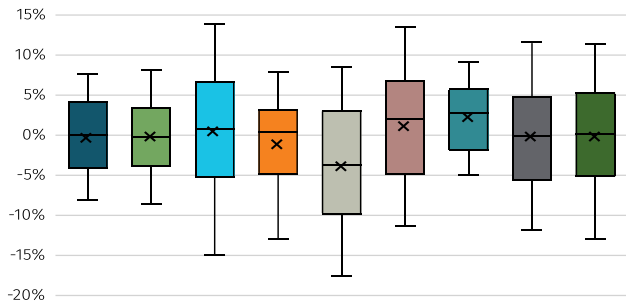
	1 month return	3 month return	YTD return
Arbitrage	-0.04%	0.31%	0.33%
Credit	0.62%	0.32%	2.57%
Equity L/S	0.89%	0.22%	3.55%
Event	-0.03%	-0.46%	2.02%
Long biased	-0.24%	-1.71%	3.01%
Macro	0.14%	-2.15%	-0.44%
Multi-Strategy	0.55%	1.18%	1.81%
Quant	1.09%	1.05%	-0.18%
HF Composite	0.51%	-0.02%	1.91%

April 2023 - Strategy Performance [1]



12 months to April 2023 - Strategy Performance [1]



HEDGE FUNDS

Hedge fund composite ↑

Hedge fund performance was generally positive in April; the average hedge fund net return across all strategies was 0.51%.
The strongest performing strategy during the month was quant and the weakest-performing strategy was long biased. Hedge fund performance dispersion was slightly lower than observed in March.

Long biased ↓

Long biased funds monitored by Aurum's Hedge Fund Data Engine returned an average of -0.24% in April, the worst performing strategy during the month. Sub-strategy returns were mostly negative. The worst performing sub-strategy was long biased – commodities, down 0.57%.

Quant ↑

Quant funds monitored by Aurum's Hedge Fund Data Engine returned 1.09% on average in April, the best performing strategy during the month. CTAs were the best performing sub-strategy, up 1.92%, recovering from one of the worst months on record in March since Aurum's hedge fund data engine started monitoring performance.

Equity long/short ↑

Equity long/short funds returned an average of 0.89% in April, benefiting from the falling volatility in developed equity markets during the month. All sub-strategies had positive performance, with the exception of Asia Pacific long/short equity. Chinese equities notably underperformed other markets in April, due to geopolitical concerns and some weak economic data releases.

Macro ↑

Macro funds monitored by Aurum's Hedge Fund Data Engine generated an average net return of 0.14% in April. Sub-strategy returns were mixed. The best performing sub-strategy was macro - commodities, up 0.70%. The weakest performing sub-strategy was macro - emerging markets, down 0.14%.

Multi-strategy ↑

Multi-strategy funds monitored by Aurum's Hedge Fund Data Engine returned an average of 0.55% in April. Smaller-sized funds, with an AUM of $0.5bn - $1bn were the worst performers, down 0.12%. Medium-large funds with an AUM of $2bn - $5bn were the strongest performers, up 1.00%.

MARKETS

Major events

Concern in markets about the bank collapses that dominated headlines in March subsided in April. This was in spite of a run on deposits at First Republic Bank at month-end, which resulted in a takeover by JP Morgan Chase. Fallout from debt ceiling negotiations in the US caused volatility in government bonds ahead of the impending 1 June deadline. Data releases at month-end showed a meaningful slowdown in inflation.

Equities ↑

US equities advanced in April, but concerns over First Republic Bank and the debt ceiling negotiations impacted market sentiment at month-end. Strong corporate earnings helped US equities to close higher. European markets were positive for the first half of April but later stabilized and lost some ground. Chinese equities underperformed due to geopolitical concerns and weak data.

Government bonds –

10-year US Treasury yields experienced volatility amidst concerns about the banking crisis, the prospect of a Fed rate hike and the run on First Republic Bank. Short-term Treasuries were affected by concerns about the debt ceiling. After rising for most of April, European bond yields fell as First Republic Bank collapsed. UK 10-year Gilt yields finished the month markedly higher.

Corporate bonds ↑

Corporate bond indices across the quality spectrum ended April with positive performance, and all have positive performance year-to-date. Lower quality corporate credit outperformed.

Currencies

The US dollar weakened in April; several major currencies, like the euro and sterling, appreciated against the US dollar. Fewer central banks increased interest rates in April when compared with previous months. Hyperinflation in Argentina led to a 1,000bps rate hike; the Argentinian peso lost over 6% against the US dollar.

Commodities ↑

Commodities were slightly stronger in April. Precious metals strengthened amidst the weaker US dollar. Oil prices increased as OPEC+ announced production cuts, but gains reduced on concerns about global demand. Concerns about supply made sugar the stand-out performer for another month.

All figures and charts use asset weighted net returns unless otherwise stated

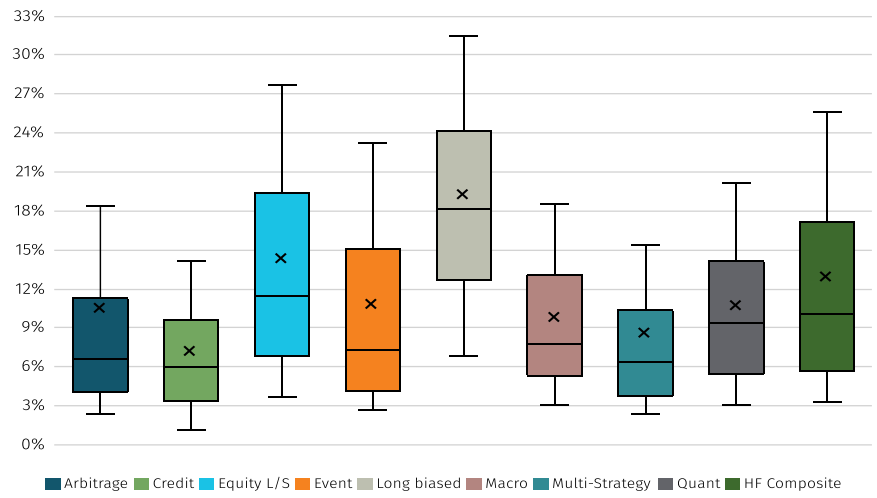
[1]The box represents the interquartile range, the middle line represents the median, the 'x' represents the mean, while the whiskers show the extreme values represented by the 10th and 90th percentiles, equally weighted.

Aurum's Hedge Fund Data Engine is a proprietary database maintained by Aurum Research Limited ("ARL") containing data on around 3,500 active hedge funds representing around $3 trillion of assets as at December 2022. Data from the Hedge Fund Data Engine is provided on the following basis: (1) Aurum's Hedge Fund Data Engine is provided for informational purposes only; (2) information and data included in the Hedge Fund Data Engine is derived from multiple sources including Aurum's own research, regulatory filings, public registers and other data providers and are provided on an "as is" basis; (3) Aurum does not perform any audit or verify the information provided by third parties; (4) Aurum is not responsible for and does not warrant the correctness, accuracy, or reliability of the data in the Hedge Fund Data Engine; (5) any constituents and data points in the Hedge Fund Data Engine may be removed at any time; (6) the completeness of the data may vary in the Hedge Fund Data Engine; (7) Aurum does not warrant that the data in the Hedge Fund Data Engine will be free from any errors, omissions or inaccuracies; (8) the information in the Hedge Fund Data Engine does not constitute an offer or a recommendation to buy or sell any security or financial product or vehicle whatsoever or any type of tax or investment advice or recommendation; (9) past performance is no indication of future results; and (10) Aurum reserves the right to change its Hedge Fund Data Engine methodology at any time and may elect to supress or change underlying data should it be considered optimal for representation and/or accuracy. Coverage Indicator of Eligible Funds Having Reported (as at 18/05/2023). By fund assets (APR): 70%. By no. of funds (APR): 62%. For further detail on the strategy definitions visit https://www.aurum.com/hedge-fund-strategy-definitions/

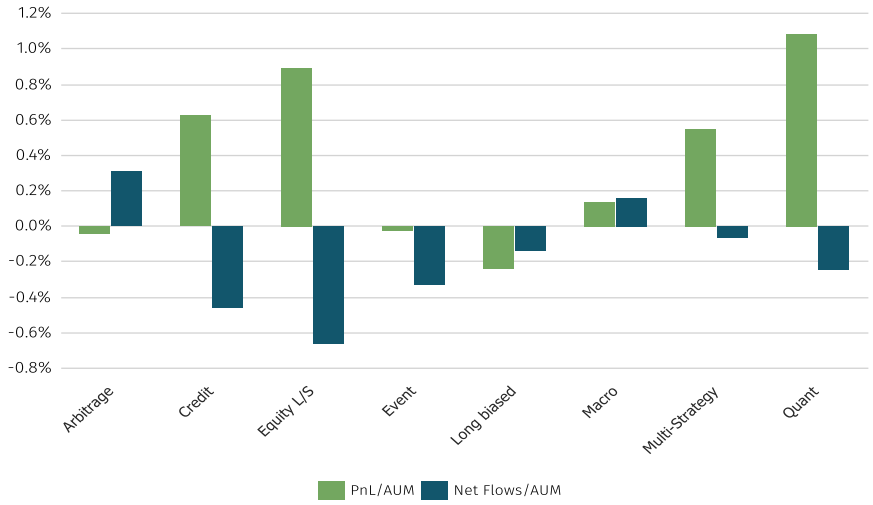
12 Month Correlation Matrix	Arbitrage	Credit	Equity L/S	Event	Long biased	Macro	Multi-Strategy	Quant
Arbitrage	1.00	-0.16	-0.34	-0.27	-0.62	0.18	0.79	0.66
Credit		1.00	0.90	0.93	0.80	0.60	0.19	-0.50
Equity L/S			1.00	0.91	0.93	0.40	0.07	-0.73
Event				1.00	0.85	0.56	0.10	-0.55
Long biased					1.00	0.24	-0.25	-0.88
Macro						1.00	0.39	0.04
Multi-Strategy							1.00	0.36
Quant								1.00

Net Performance	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Rolling 12 month return
Arbitrage	-1.65%	0.61%	-0.90%	1.45%	0.69%	-0.55%	-1.03%	1.00%	0.02%	0.59%	-0.23%	-0.04%	-0.10%
Credit	-1.12%	-2.56%	1.18%	0.53%	-2.07%	0.11%	1.34%	0.40%	2.24%	0.22%	-0.52%	0.62%	0.26%
Equity L/S	-1.43%	-2.05%	2.17%	0.09%	-2.75%	1.34%	2.39%	0.02%	3.33%	-1.11%	0.45%	0.89%	3.19%
Event	-1.43%	-3.61%	1.80%	0.25%	-1.86%	1.61%	1.18%	-0.16%	2.49%	-0.16%	-0.27%	-0.03%	-0.34%
Long biased	-0.73%	-6.17%	4.57%	-2.22%	-6.20%	1.86%	5.60%	-2.27%	4.81%	-3.15%	1.73%	-0.24%	-3.27%
Macro	0.17%	-1.50%	0.24%	1.80%	0.31%	0.76%	0.69%	1.36%	1.74%	-0.18%	-2.11%	0.14%	3.41%
Multi-Strategy	-0.80%	0.95%	0.78%	1.42%	0.38%	0.59%	0.11%	1.58%	0.62%	0.70%	-0.07%	0.55%	6.99%
Quant	-0.33%	1.27%	-1.97%	1.30%	2.15%	-0.23%	-3.10%	0.18%	-1.22%	2.18%	-2.17%	1.09%	-1.00%
HF Composite	-0.93%	-1.75%	1.16%	0.46%	-1.46%	0.77%	0.99%	0.24%	1.93%	-0.17%	-0.36%	0.51%	1.34%

12 month volatility dispersion (standard deviation)[1] [2]



Net flows and AUM change[3] - April 2023



[2] Asset weighted 12 month volatility.

[3] P&L/AUM shows the percentage change in AUM accounted for by performance, split by strategy. Net flows/AUM shows the percentage change in AUM accounted for by subscriptions and redemptions, split by strategy.

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