	1 month return	3 month return	YTD return
Arbitrage	0.49%	0.70%	4.09%
Credit	0.36%	2.85%	3.73%
Equity L/S	1.81%	7.47%	6.25%
Event	0.99%	5.45%	6.58%
Long biased	0.01%	8.89%	9.89%
Macro	0.16%	2.23%	4.99%
Multi-Strategy	0.94%	3.49%	5.05%
Quant	-0.33%	-0.41%	1.16%
HF Composite	0.68%	4.41%	5.31%

July 2025 - Strategy Performance [1]
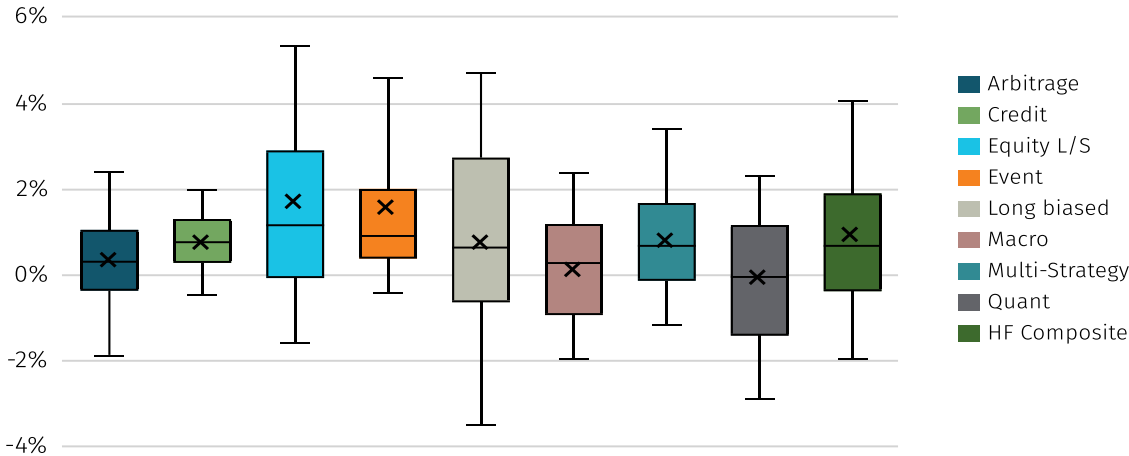
12 months to July 2025 - Strategy Performance [1]

Legend: Arbitrage, Credit, Equity L/S, Event, Long biased, Macro, Multi-Strategy, Quant, HF Composite
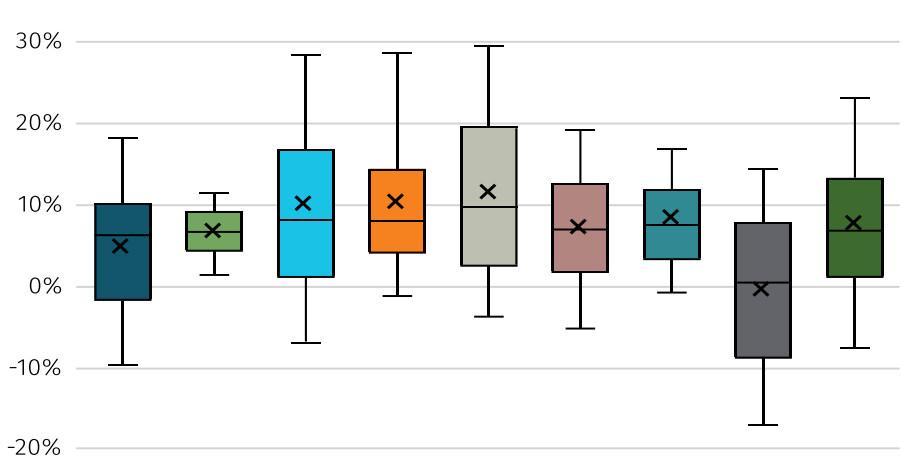
HEDGE FUNDS

Hedge fund composite ⬆
Hedge fund performance was positive in July. The average asset-weighted hedge fund net return across all strategies was 0.68%. All master strategies delivered positive returns with the exception of quant. The strongest performing strategy was equity long/short. Hedge fund performance dispersion narrowed slightly compared to June.

Long biased ▬
Long biased funds were flat in July (+0.01%). Equity-focused sub-strategies (-0.29%) were the weakest performers, lagging on tariff headlines. Commodities (+0.53%) was the strongest performing sub-strategy; benefiting from oil and precious metals prices increasing. Overall, performance was muted and dispersion modest.

Quant ⬇
Quant funds returned -0.33% on average in July; the only master strategy with negative returns. Sub-strategy performance was mixed, ranging from risk premia (+0.94%) to statistical arbitrage (-2.94%). Stat arb funds have been experiencing a "long, slow bleed" since June. Models have struggled, caught off guard by a garbage rally, although they recovered some losses by month-end.

Equity long/short ⬆
Equity long/short was the best-performing hedge fund master strategy in July, up 1.81%. Performance was supported by US earnings-season dispersion and constructive equity markets, despite tariff noise and higher yields. Sector-focused funds led (+3.05%), while US L/S lagged (+0.66%).

Macro ⬆
Macro funds were up 0.16% in July as tariff headlines, a stronger US dollar and higher core yields produced choppy trends. FIRV led (+0.74%), supported by rate and curve trades, commodity funds detracted, (-0.31%) amid uneven energy and weaker base metals, as did global macro (-0.30%).

Multi-strategy ⬆
Multi-strategy funds gained 0.94% in July. Returns were broadly positive amid supportive equity dispersion and manageable macro volatility, despite tariff headlines and higher rates. Small to mid-sized managers outperformed ($0.5–1bn: +1.44%), while the $2–5bn group lagged (+0.78%).

MARKETS

Major events
Markets in July pivoted around tariffs and economic growth data releases. The US signalled plans to raise and widen tariffs and reinstated reciprocal tariffs. A US–EU deal set 15% duties alongside energy pledges. President Trump made tariff threats targeted at Russia and pharmaceutical companies. US GDP rebounded while Eurozone growth cooled; the Fed and ECB held rates; the US dollar strengthened.

Equities ⬆
Global equities were volatile in July. In the US, optimistic investor sentiment faded on tariffs news and inflation data releases, later improving as trade deals were made, but then slipped again. European equities saw modest gains after semiconductor weakness. US trade negotiations were the main driver of Asian and emerging market equities' performance; China, Turkey and Thailand all rallied.

Government bonds ⬇
Global government bond yields drifted higher in July. In the US, longer- and shorter-dated yields rose, with some late-month easing. European rates also edged up, with core and periphery broadly higher. In Asia, yields in Japan and China ticked up as uncertainty persisted.

Corporate bonds ▬
Corporate bonds were mixed in July. US investment-grade credit was broadly flat as rate moves countered carry. High yield did better on a risk-on tone, with lower-rated names leading. European financial subordinated paper gained. In emerging markets, hard-currency corporates advanced while local-currency debt lagged on a stronger US dollar. Overall, spreads were steady to slightly tighter and carry dominated returns.
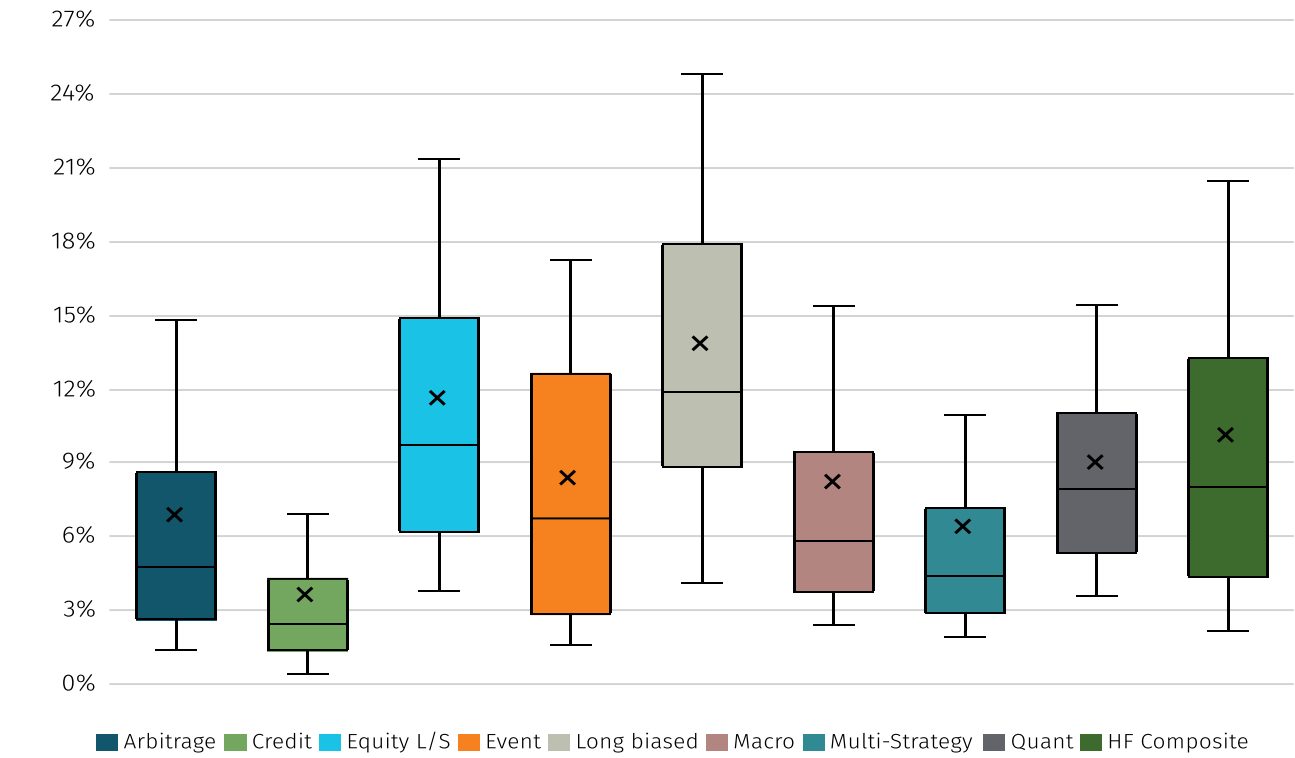
Currencies
The US dollar strengthened over July, supported by risk aversion and improved US inflation, with a brief wobble mid-month before firming after the Fed held rates. European currencies weakened. Many emerging market central banks cut rates, and most local currencies drifted lower; the Argentinian peso saw sharp losses.

Commodities ⬆
Commodities edged higher in July, led by oil and some precious metals, while base metals and many agriculturals slipped amid a stronger US dollar and trade uncertainty. Copper was volatile, surging on tariff headlines then reversing after policy clarity. Gold was range-bound; palladium outperformed; silver ticked up and platinum eased. Oil rose on geopolitical and sanctions risks, while natural gas fell on ample supply.
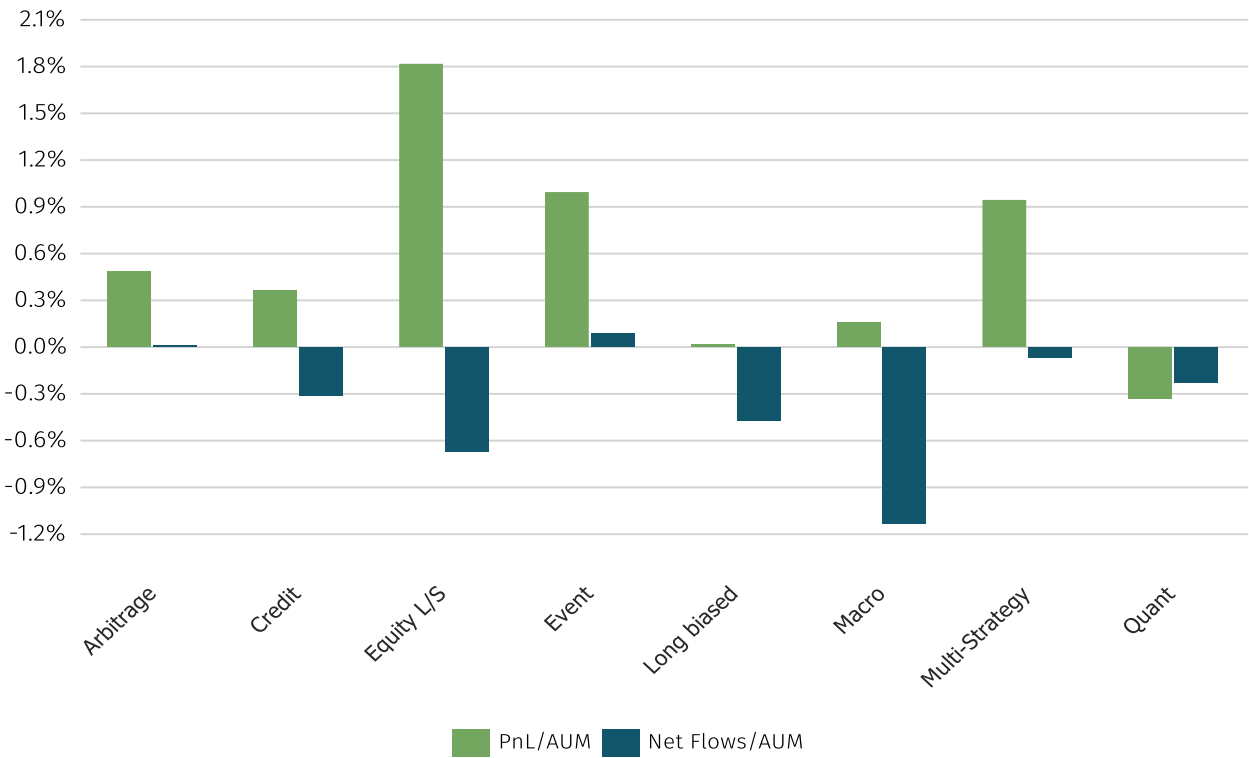
All figures and charts use asset weighted net returns unless otherwise stated

[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.

12 Month Correlation Matrix

12 Month Correlation Matrix	Arbitrage	Credit	Equity L/S	Event	Long biased	Macro	Multi-Strategy	Quant
Arbitrage	1.00	-0.40	-0.47	-0.39	-0.39	0.01	-0.31	0.25
Credit		1.00	0.79	0.88	0.79	0.54	0.59	0.23
Equity L/S			1.00	0.89	0.81	0.51	0.70	0.08
Event				1.00	0.93	0.54	0.57	0.20
Long biased					1.00	0.55	0.43	0.17
Macro						1.00	0.57	0.63
Multi-Strategy							1.00	0.38
Quant								1.00

Net Performance

Net Performance	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Rolling 12 month return
Arbitrage	0.34%	0.95%	0.73%	0.54%	0.62%	0.86%	0.96%	0.67%	0.84%	0.21%	0.00%	0.48%	7.43%
Credit	0.66%	1.05%	0.49%	0.95%	0.54%	0.93%	0.53%	-0.47%	-0.14%	1.20%	1.27%	0.34%	7.59%
Equity L/S	0.94%	1.26%	0.63%	2.40%	-0.88%	2.17%	-0.94%	-2.81%	0.50%	2.58%	2.90%	1.83%	10.95%
Event	0.89%	1.40%	0.10%	2.21%	-0.26%	1.76%	0.60%	-1.22%	-0.05%	2.66%	1.71%	0.98%	11.25%
Long biased	1.66%	2.53%	-2.09%	2.69%	-2.24%	4.07%	-0.29%	-2.42%	-0.33%	5.47%	3.23%	0.00%	12.57%
Macro	0.08%	1.68%	0.36%	1.99%	0.69%	1.45%	0.08%	0.43%	0.72%	0.72%	1.35%	0.15%	10.10%
Multi-Strategy	0.83%	0.82%	0.88%	2.09%	1.74%	1.30%	-0.19%	-0.65%	1.05%	1.23%	1.27%	0.94%	11.91%
Quant	-1.78%	0.29%	-0.27%	1.61%	1.41%	2.24%	-0.25%	0.43%	-0.83%	0.16%	-0.23%	-0.33%	2.39%
HF Composite	0.54%	1.34%	0.03%	2.07%	0.05%	1.97%	-0.21%	-1.09%	0.22%	1.98%	1.69%	0.68%	9.61%

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

Legend: Arbitrage, Credit, Equity L/S, Event, Long biased, Macro, Multi-Strategy, Quant, HF Composite

Net flows and AUM change[3] - July 2025

Legend: PnL/AUM, Net Flows/AUM

[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.