

# AURUM

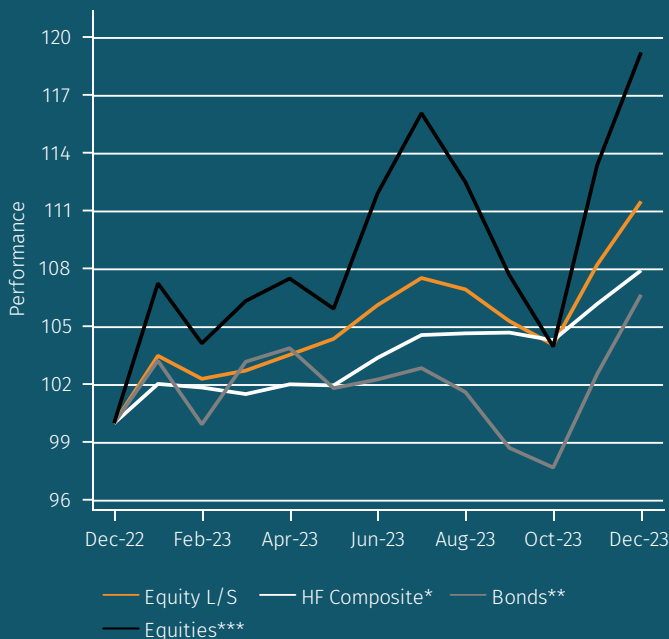
## Equity long/short strategy analytics pack

12 months to December 2023

### Inside this report:

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### MASTER STRATEGY vs INDICES NET RETURN (1 YR)



\*HF Composite = Aurum Hedge Fund Data Engine Asset Weighted Composite Index.

\*\*Bonds = S&P Global Developed Aggregate Ex Collateralized Bond (USD).

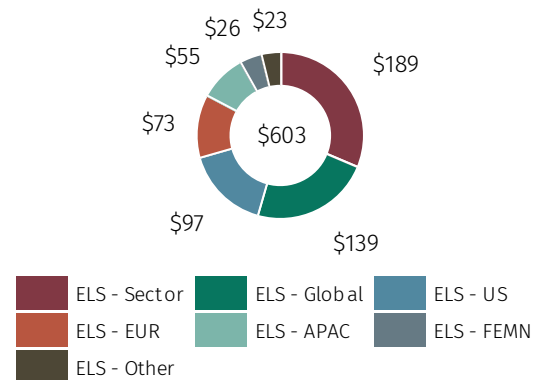
\*\*\*Equities = S&P Global BMI.

All figures and charts use asset weighted net returns unless otherwise stated. All Hedge Fund data is sourced from Aurum Hedge Fund Data Engine. Data included in this report is dated as at 18<sup>th</sup> January 2024.

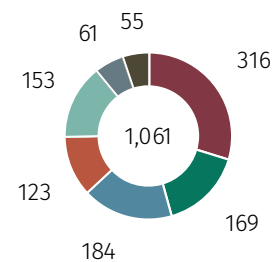
For definitions on how the Strategies and Sub-Strategies are defined please refer to <https://www.aurum.com/hedge-fund-strategy-definitions/>, and for information on index methodology, weighting and composition please refer to <https://www.aurum.com/aurum-strategy-engine/>

Equity  
long/short

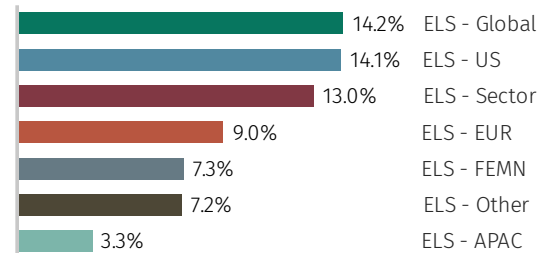
### AUM (\$BN) – DECEMBER 2023



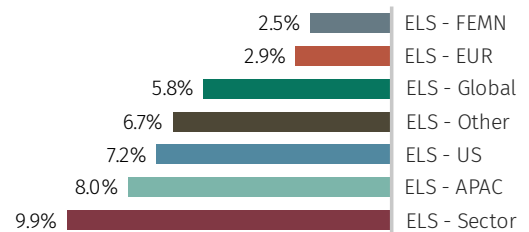
### NO. OF FUNDS – DECEMBER 2023



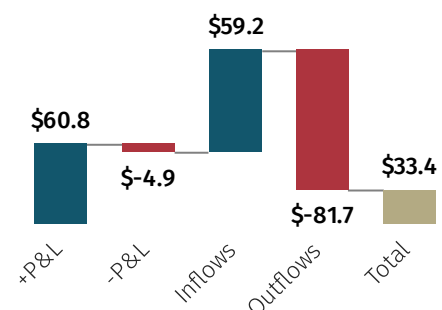
### SUB-STRATEGY NET RETURN (1 YR)



### STANDARD DEVIATION (1 YR)



### AUM CHANGE \$BN (1 YR)



## NET RETURN OF MASTER AND SUB STRATEGIES (1 YR)

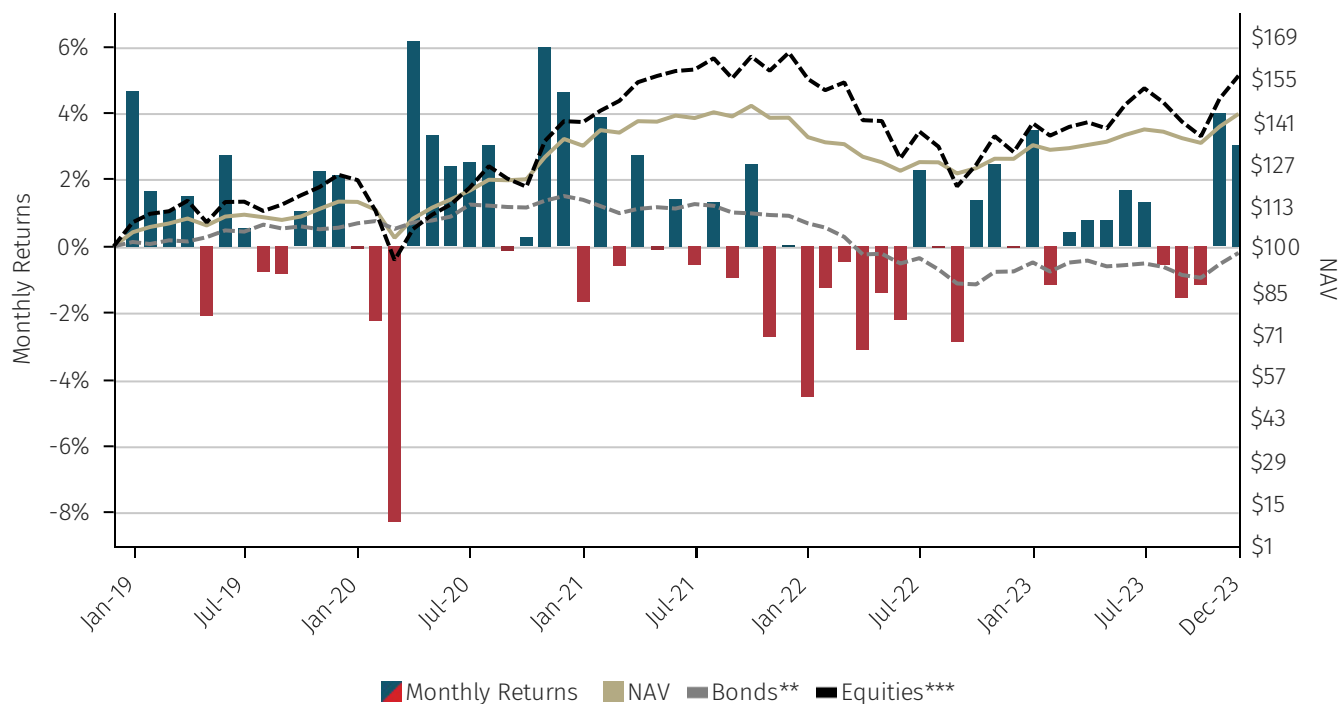
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	1 YR
<b>Equity L/S</b>	<b>3.50%</b>	<b>-1.16%</b>	<b>0.42%</b>	<b>0.80%</b>	<b>0.80%</b>	<b>1.68%</b>	<b>1.33%</b>	<b>-0.55%</b>	<b>-1.54%</b>	<b>-1.17%</b>	<b>3.99%</b>	<b>3.04%</b>	<b>11.51%</b>
ELS - Global	3.41%	-0.81%	1.38%	1.15%	0.81%	1.95%	1.60%	0.15%	-1.65%	-0.64%	3.70%	2.50%	14.25%
ELS - US	3.62%	-0.12%	0.63%	0.70%	1.14%	2.93%	1.20%	-0.24%	-2.32%	-1.50%	4.64%	2.85%	14.14%
ELS - Sector	3.91%	-1.98%	-0.37%	1.32%	1.75%	1.11%	1.37%	-1.33%	-2.18%	-2.23%	5.60%	5.74%	12.97%
ELS - EUR	1.99%	0.23%	0.33%	0.95%	0.70%	0.94%	-0.02%	0.29%	-0.29%	-0.15%	2.47%	1.24%	8.98%
ELS - FEMN	0.79%	0.07%	1.19%	0.98%	0.12%	1.47%	0.07%	0.45%	-0.39%	-0.11%	2.03%	0.39%	7.28%
ELS - Other	3.90%	-1.69%	-0.95%	0.38%	-1.74%	2.63%	2.48%	-0.60%	0.22%	-1.30%	2.37%	1.45%	7.19%
ELS - APAC	5.26%	-3.25%	0.68%	-1.48%	-1.21%	1.36%	2.60%	-1.75%	-0.76%	-0.36%	2.37%	0.07%	3.29%
<b>HF Composite*</b>	<b>2.04%</b>	<b>-0.18%</b>	<b>-0.33%</b>	<b>0.50%</b>	<b>-0.06%</b>	<b>1.40%</b>	<b>1.14%</b>	<b>0.08%</b>	<b>0.04%</b>	<b>-0.38%</b>	<b>1.80%</b>	<b>1.64%</b>	<b>7.93%</b>
<b>Bonds**</b>	<b>3.25%</b>	<b>-3.20%</b>	<b>3.25%</b>	<b>0.68%</b>	<b>-1.99%</b>	<b>0.44%</b>	<b>0.58%</b>	<b>-1.21%</b>	<b>-2.85%</b>	<b>-1.04%</b>	<b>4.96%</b>	<b>4.02%</b>	<b>6.67%</b>
<b>Equities***</b>	<b>7.26%</b>	<b>-2.90%</b>	<b>2.11%</b>	<b>1.09%</b>	<b>-1.46%</b>	<b>5.64%</b>	<b>3.72%</b>	<b>-3.08%</b>	<b>-4.29%</b>	<b>-3.44%</b>	<b>9.05%</b>	<b>5.16%</b>	<b>19.24%</b>

## NET RETURN (5 YR) PERIOD TO DECEMBER 2023

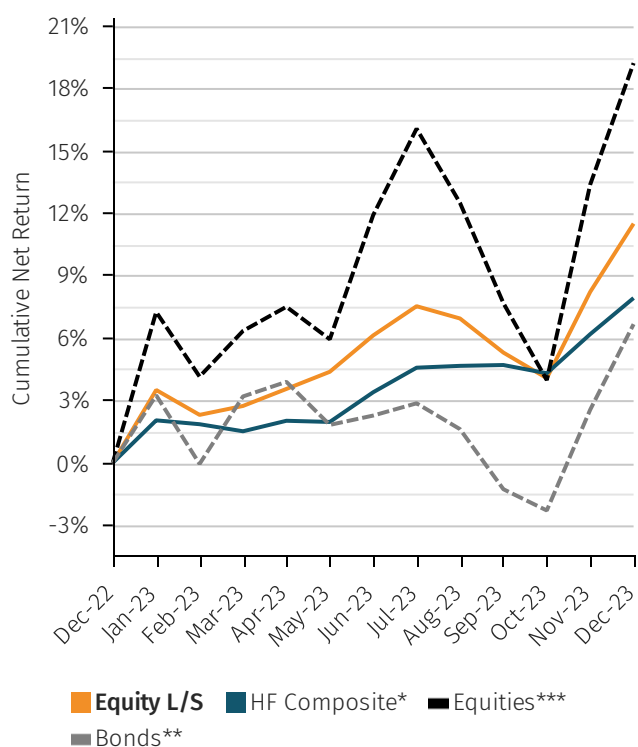
Performance	2023	2022	2021	2020	2019	5Yr CAR	5Yr Vol	5Yr Sharpe
<b>Equity L/S</b>	<b>11.51%</b>	<b>-9.54%</b>	<b>5.19%</b>	<b>18.03%</b>	<b>14.79%</b>	<b>7.53%</b>	<b>8.82%</b>	<b>0.63</b>
ELS - Global	14.25%	-9.10%	8.99%	16.52%	16.53%	8.97%	9.39%	0.74
ELS - US	14.14%	-10.46%	7.61%	15.67%	17.57%	8.38%	10.29%	0.63
ELS - Sector	12.97%	-14.33%	0.37%	26.11%	16.79%	7.43%	12.37%	0.47
ELS - Other	7.19%	-3.61%	4.51%	12.24%	16.67%	7.17%	10.80%	0.50
ELS - FEMN	7.28%	2.55%	4.83%	7.32%	11.86%	6.72%	4.87%	0.92
ELS - EUR	8.98%	-3.98%	8.47%	9.17%	9.36%	6.27%	5.29%	0.77
ELS - APAC	3.29%	-10.06%	3.38%	24.01%	9.36%	5.43%	8.06%	0.43
<b>HF Composite*</b>	<b>7.93%</b>	<b>-2.18%</b>	<b>7.77%</b>	<b>9.08%</b>	<b>10.31%</b>	<b>6.48%</b>	<b>5.90%</b>	<b>0.73</b>
<b>Bonds**</b>	<b>6.67%</b>	<b>-16.69%</b>	<b>-5.59%</b>	<b>9.84%</b>	<b>6.19%</b>	<b>-0.43%</b>	<b>7.54%</b>	<b>-0.31</b>
<b>Equities***</b>	<b>19.24%</b>	<b>-20.04%</b>	<b>16.02%</b>	<b>14.34%</b>	<b>23.65%</b>	<b>9.35%</b>	<b>18.25%</b>	<b>0.46</b>

# Master strategy performance

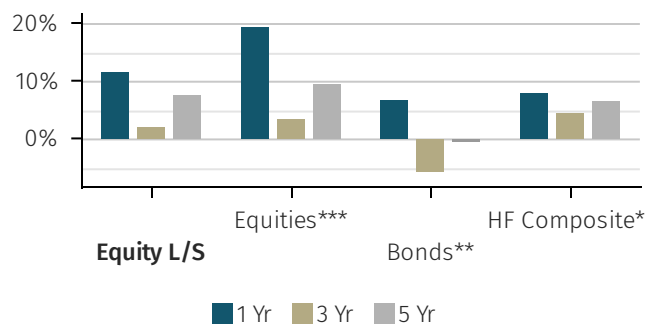
## NET MONTHLY RETURN (5 YR)



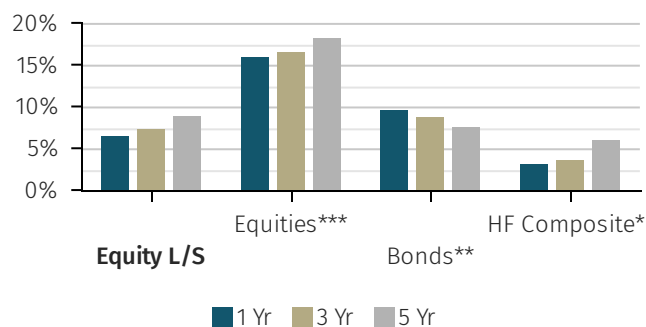
## COMPARATIVE RETURN VS HF COMPOSITE (1 YR)



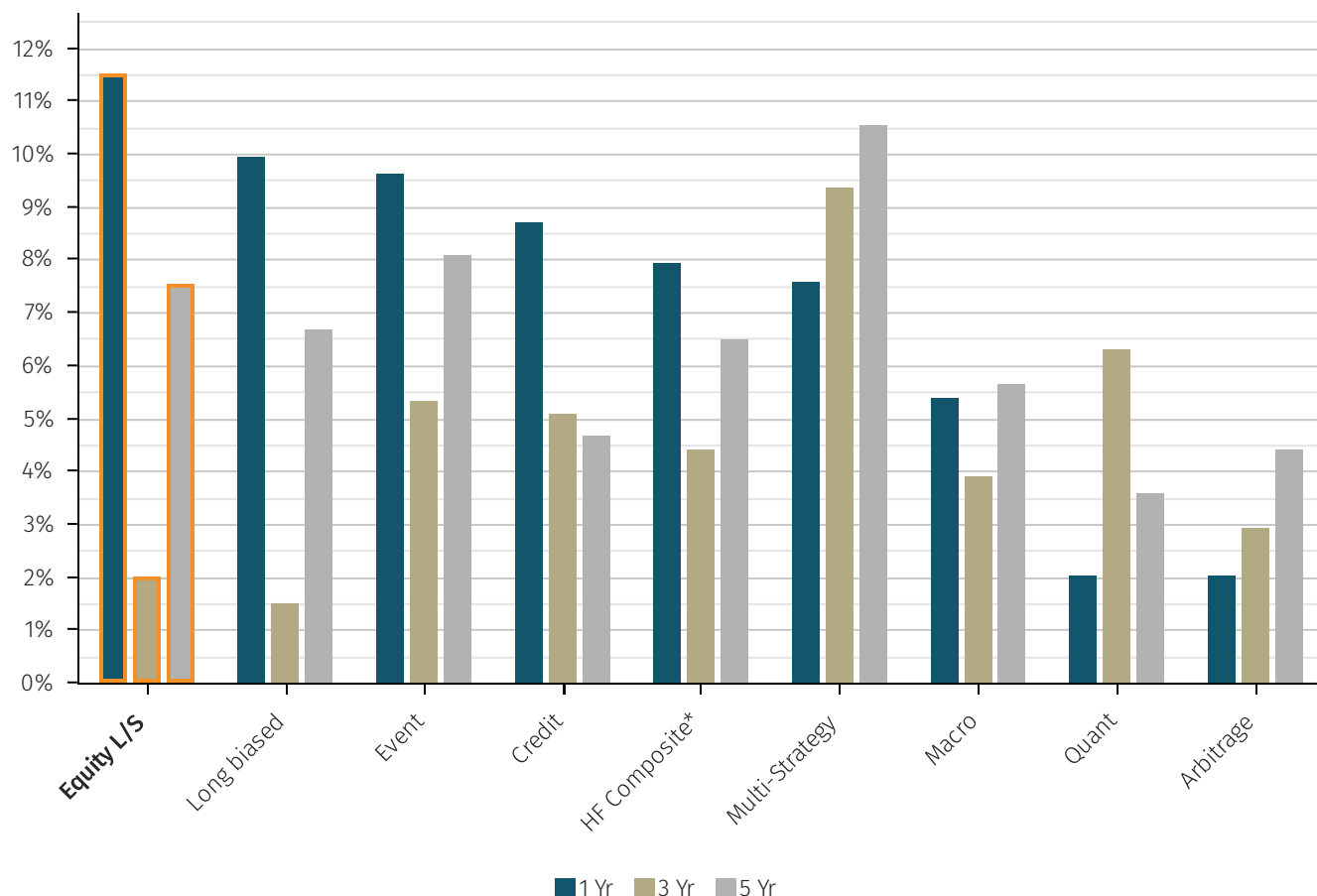
## NET RETURN (ANNUALISED)



## VOLATILITY (ANNUALISED)



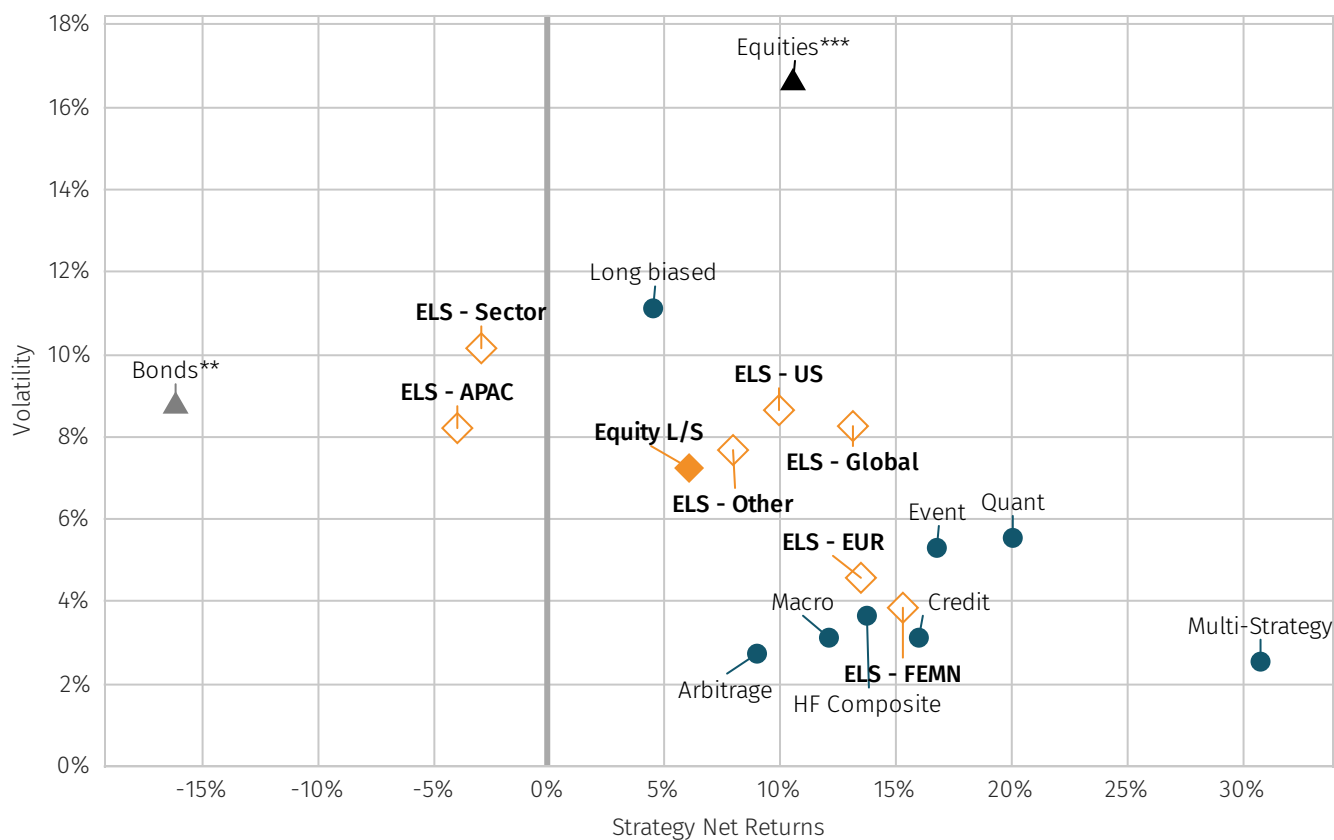
## MASTER STRATEGY NET ANNUALISED RETURNS



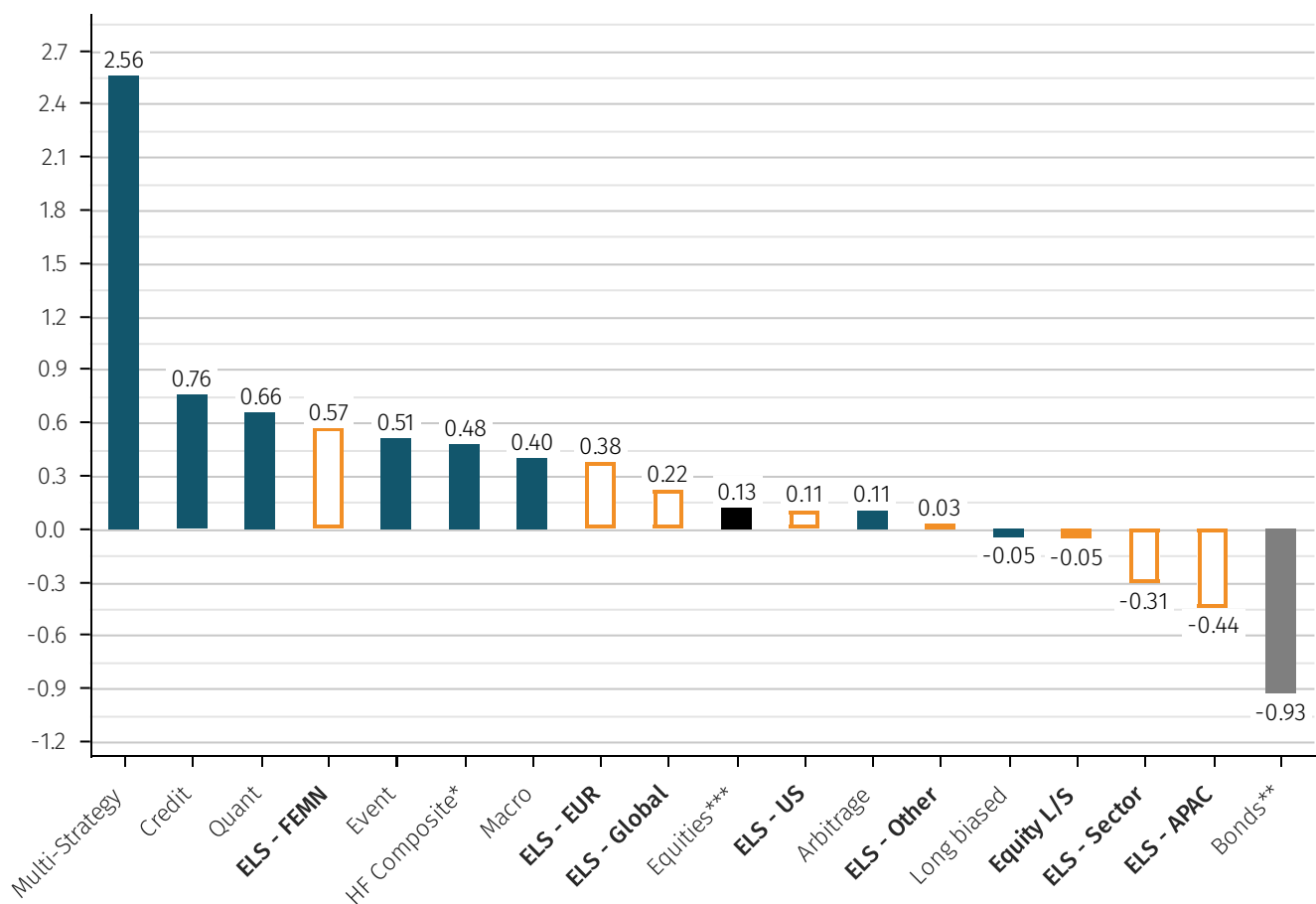
## HIERARCHICAL ANNUALISED NET RETURN TO DECEMBER 2023

1 YEAR	3 YEAR	5 YEAR	10 YEAR
<b>Equity L/S</b> 11.5%	<b>Multi-Strategy</b> 9.4%	<b>Multi-Strategy</b> 10.5%	<b>Multi-Strategy</b> 7.7%
<b>Long biased</b> 9.9%	<b>Quant</b> 6.3%	<b>Event</b> 8.1%	<b>Event</b> 5.2%
<b>Event</b> 9.6%	<b>Event</b> 5.3%	<b>Equity L/S</b> 7.5%	<b>Equity L/S</b> 4.9%
<b>Credit</b> 8.7%	<b>Credit</b> 5.1%	<b>Long biased</b> 6.7%	<b>HF Composite*</b> 4.5%
<b>HF Composite*</b> 7.9%	<b>HF Composite*</b> 4.4%	<b>HF Composite*</b> 6.5%	<b>Long biased</b> 4.3%
<b>Multi-Strategy</b> 7.6%	<b>Macro</b> 3.9%	<b>Macro</b> 5.6%	<b>Credit</b> 4.0%
<b>Macro</b> 5.4%	<b>Arbitrage</b> 2.9%	<b>Credit</b> 4.7%	<b>Macro</b> 3.5%
<b>Quant</b> 2.0%	<b>Equity L/S</b> 2.0%	<b>Arbitrage</b> 4.4%	<b>Quant</b> 3.4%
<b>Arbitrage</b> 2.0%	<b>Long biased</b> 1.5%	<b>Quant</b> 3.6%	<b>Arbitrage</b> 2.6%

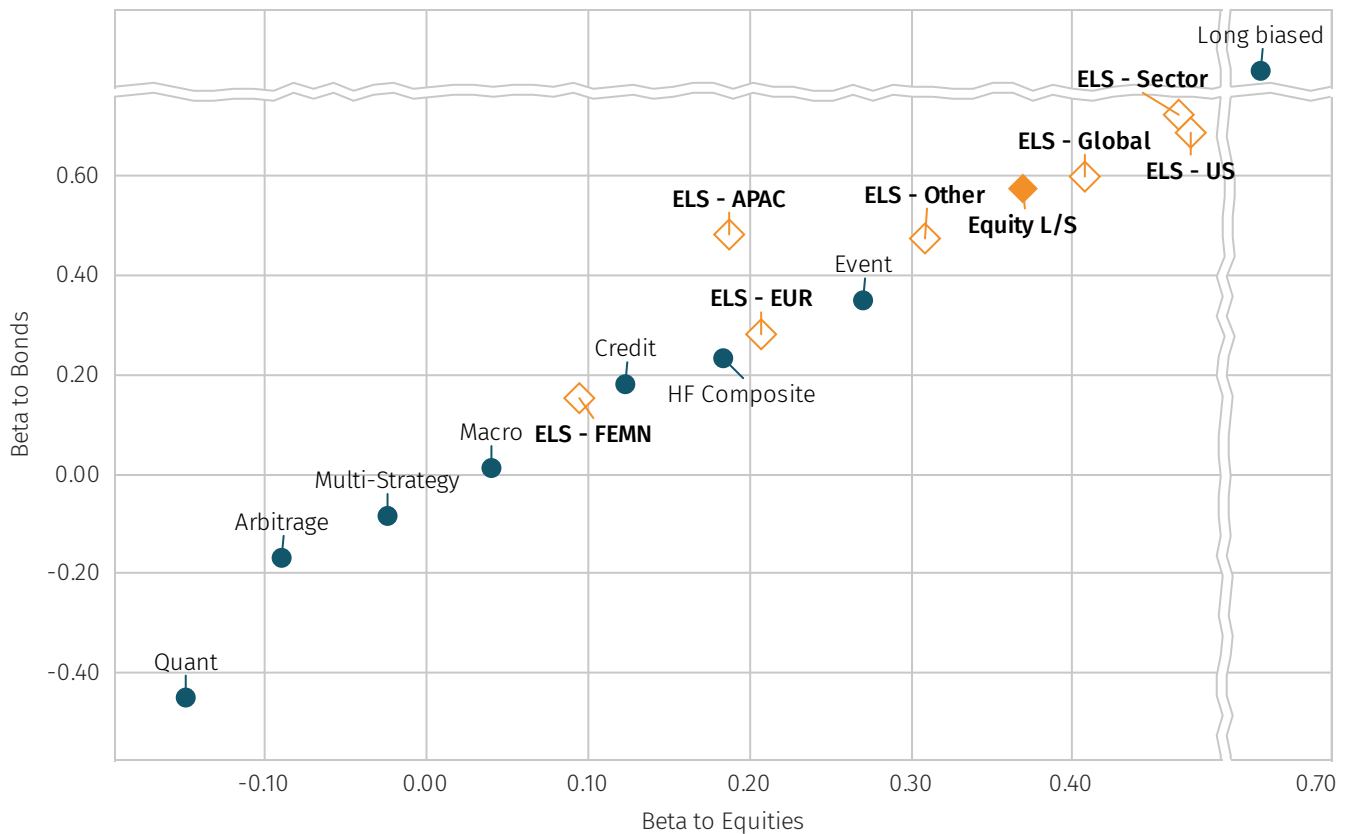
## STRATEGY NET TOTAL RETURN VS ANNUALISED VOL (3 YR)



## SHARPE RATIO BY HEDGE FUND STRATEGY (3 YR)\*

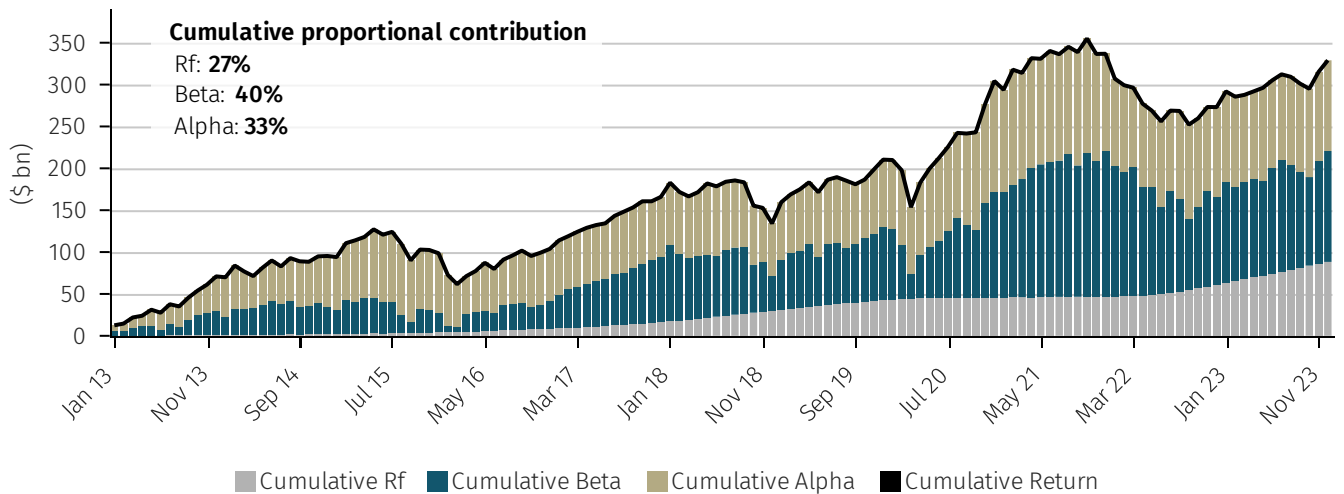


## BETA TO BONDS AND BETA TO EQUITIES (3 YR) PERIOD TO DECEMBER 2023



## MASTER STRATEGY - DECOMPOSING DOLLAR PERF. INTO ALPHA, BETA AND RISK FREE (RF) COMPONENTS

### Equity L/S

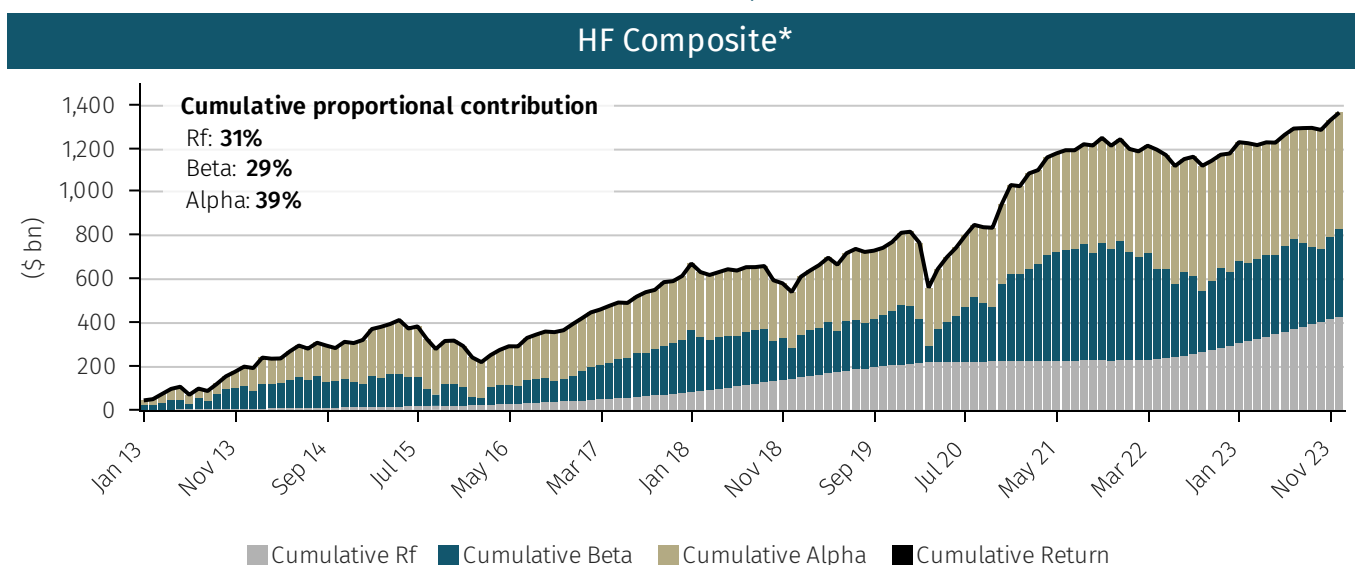


These charts decompose the Hedge Fund Composite dollar returns into beta, alpha and risk free ("Rf") components, as follows:  $\alpha = \text{actual return} - R_f - \beta * (\text{market return} - R_f)$ .

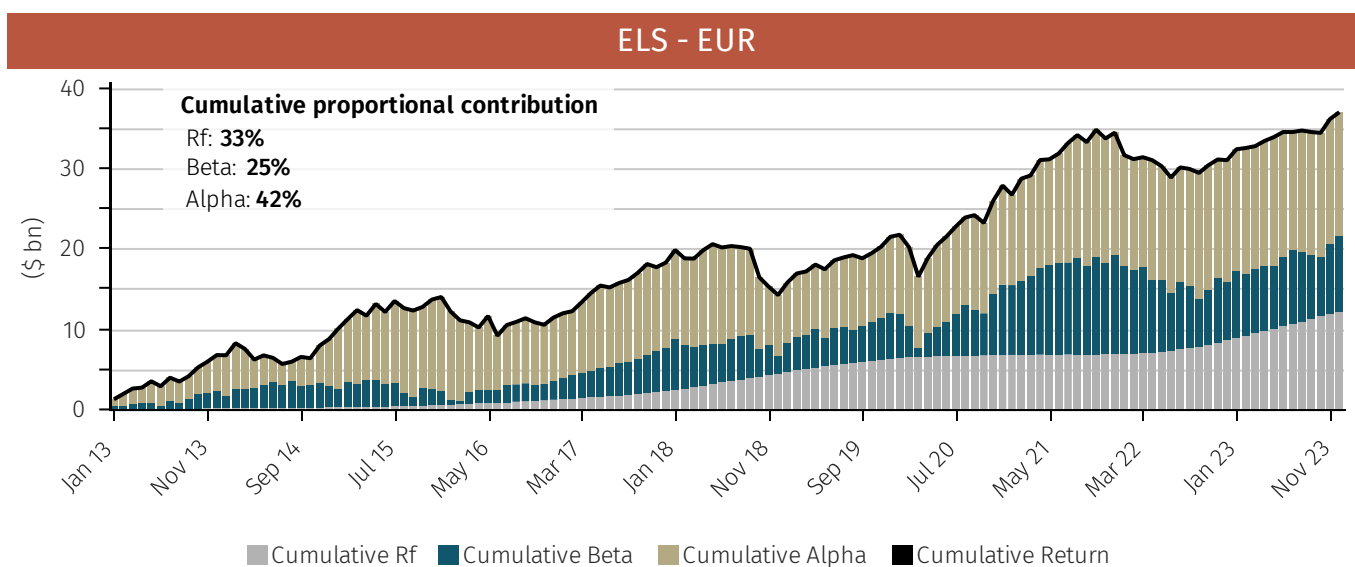
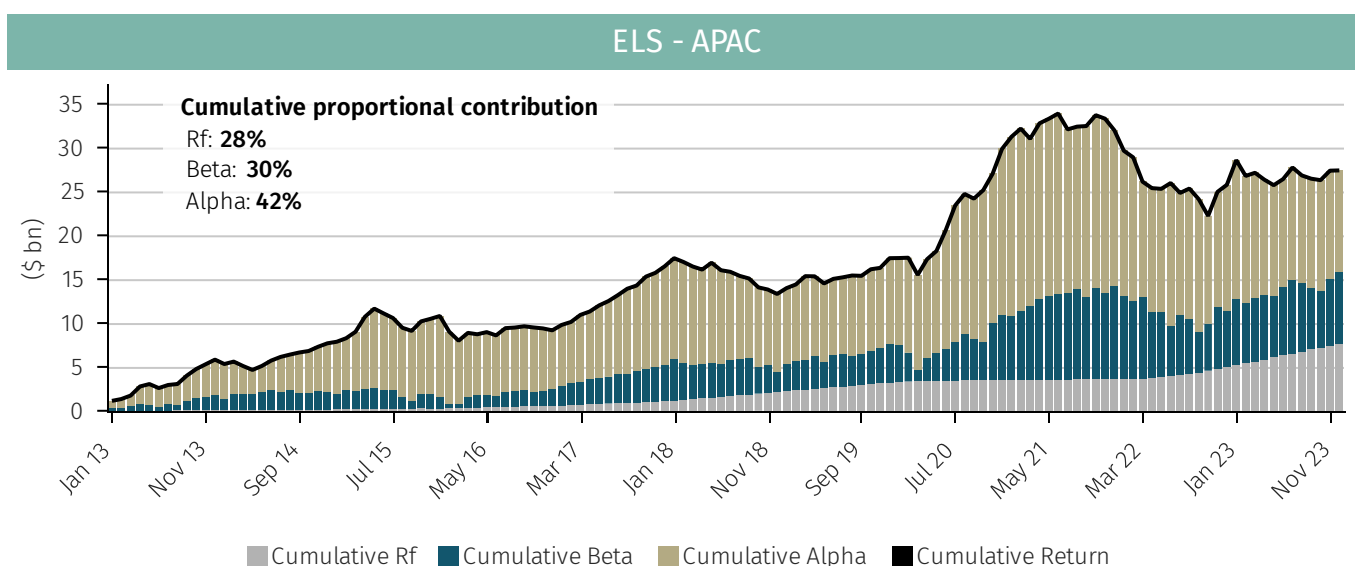
Where  $R_f$  is the riskfree rate as defined by a rolling 3-month LIBOR-SOFR, where market return is that of S&P Global BMI ('the market index') and where beta has been calculated with respect to each underlying fund observed on a 60m rolling basis to the market index. The monthly alpha, beta and  $R_f$  components are then applied to each underlying fund's dollar performance for a particular month, and then at a master strategy or industry level the individual fund dollar contributions are aggregated up.

For note, beta can be negative in certain cases, creating negative dollar attributions. These are offset by corresponding positive alpha contributions.

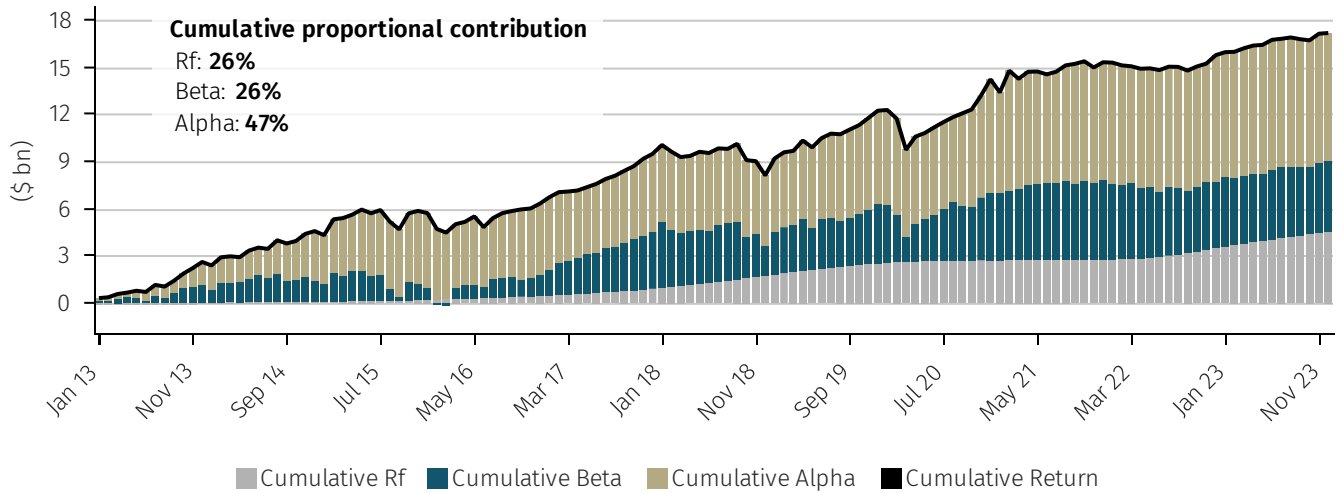
## HF COMPOSITE\* - DECOMPOSING DOLLAR PERF. INTO ALPHA, BETA AND RISK FREE (RF) COMPONENTS



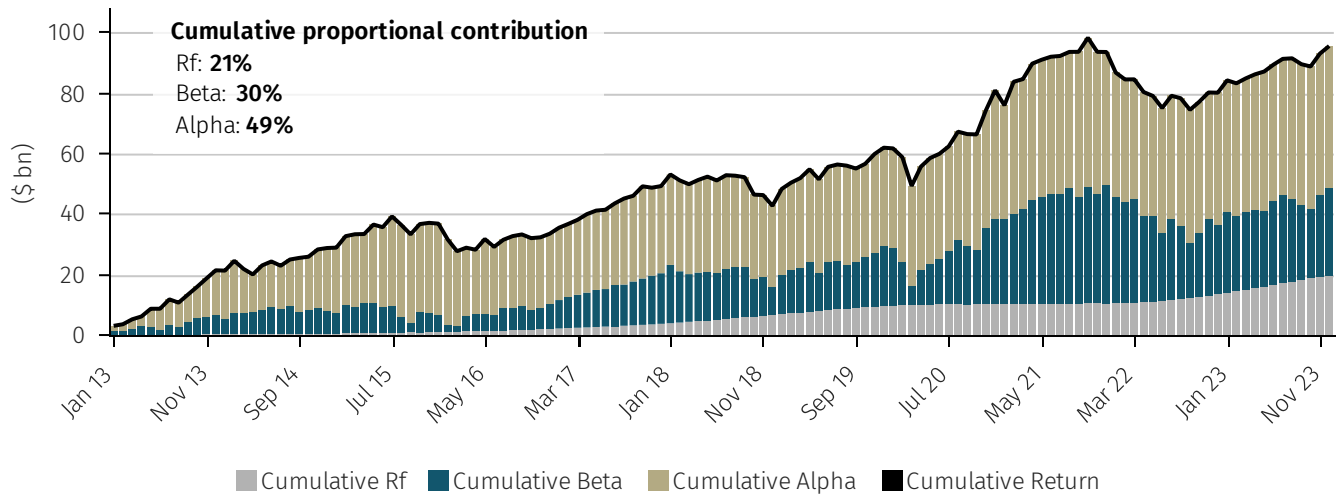
## SUB-STRATEGY - DECOMPOSING DOLLAR PERF. INTO ALPHA, BETA AND RISK FREE (RF) COMPONENTS



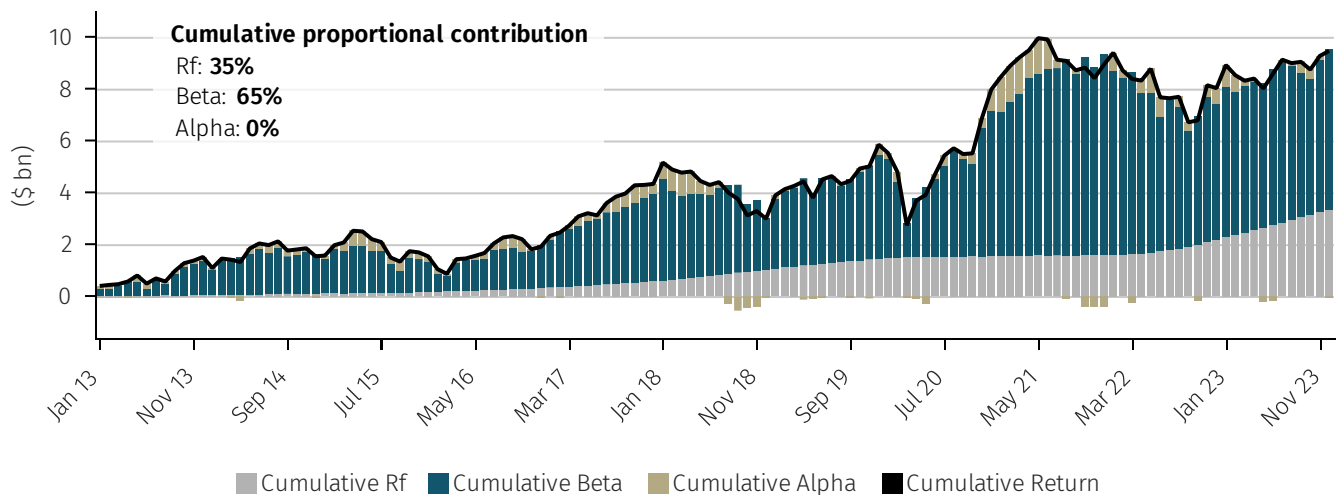
## ELS - FEMN



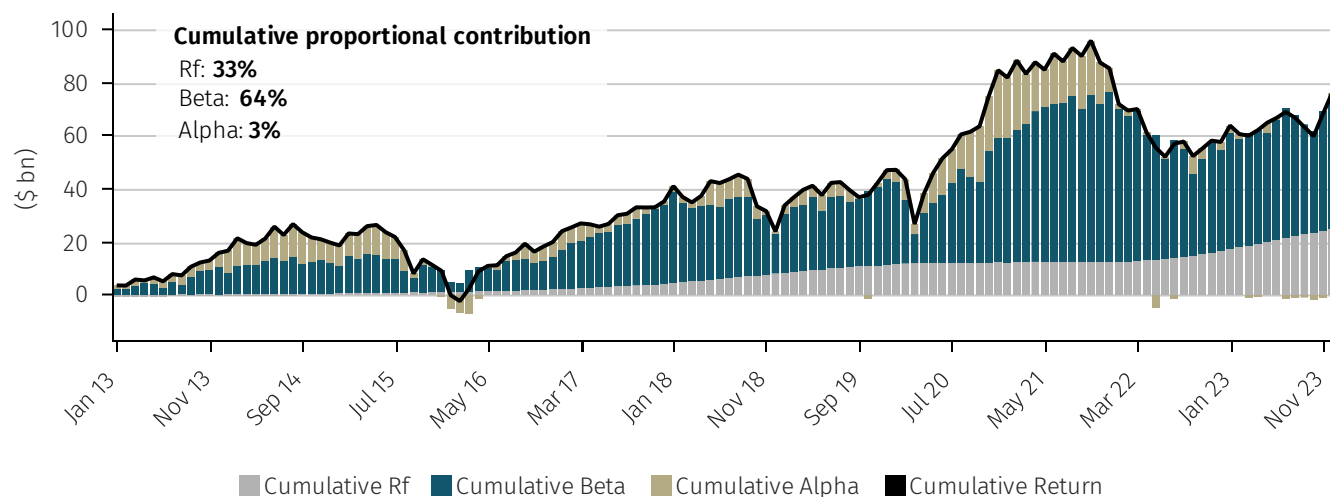
## ELS - Global



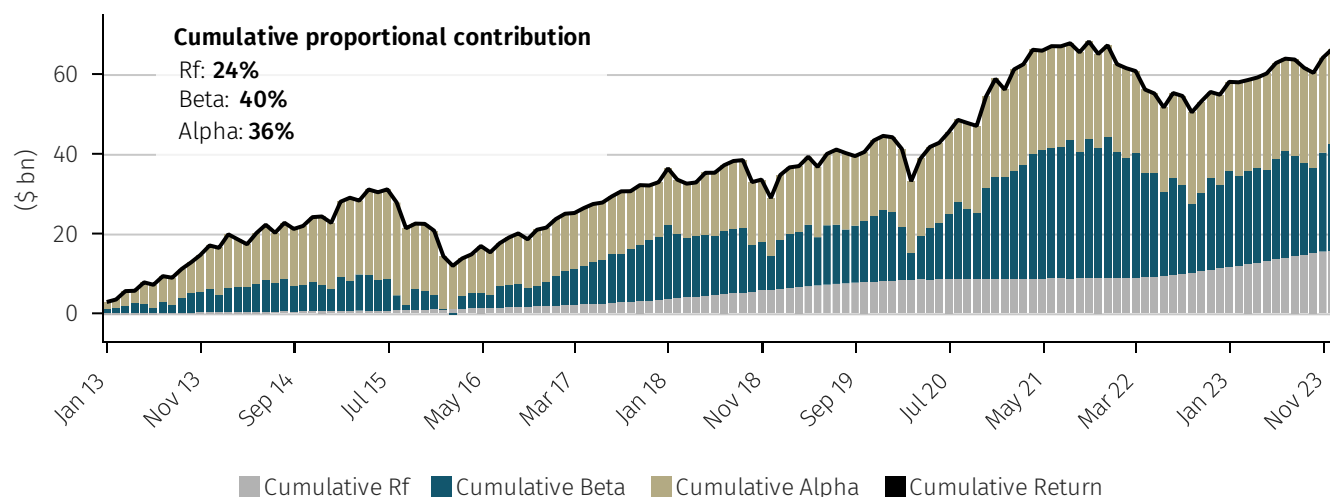
## ELS - Other



## ELS - Sector

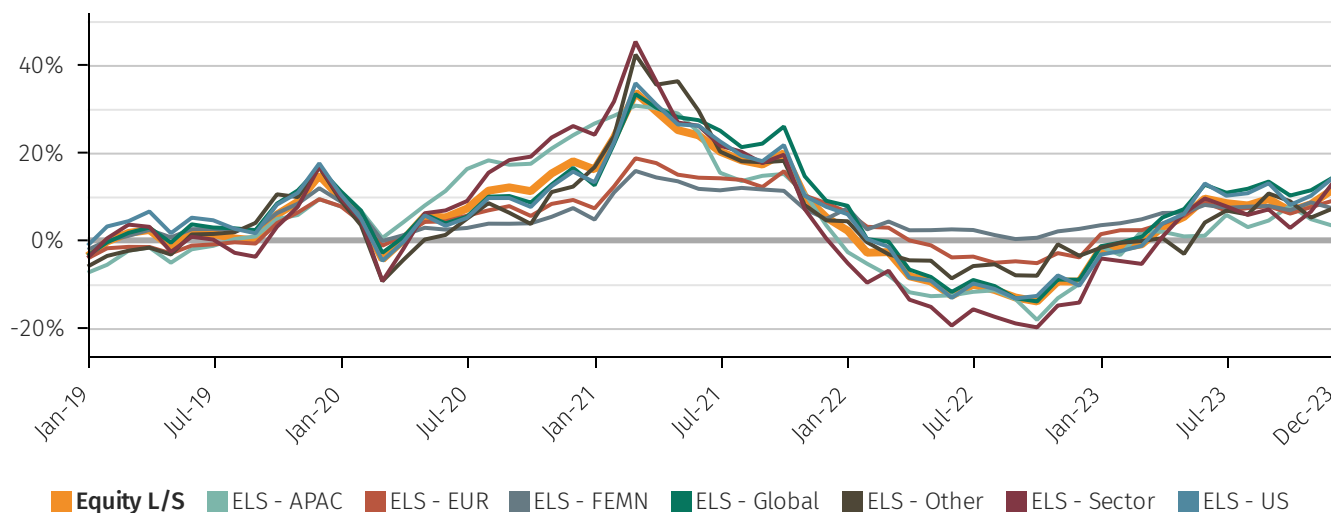


## ELS - US

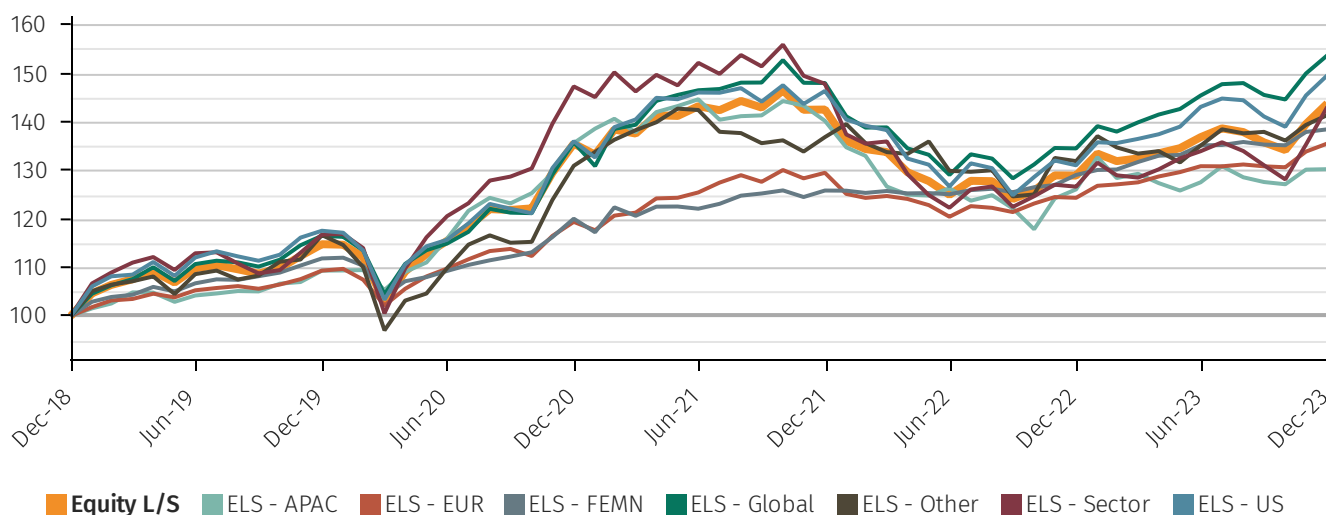


## Sub-strategy performance

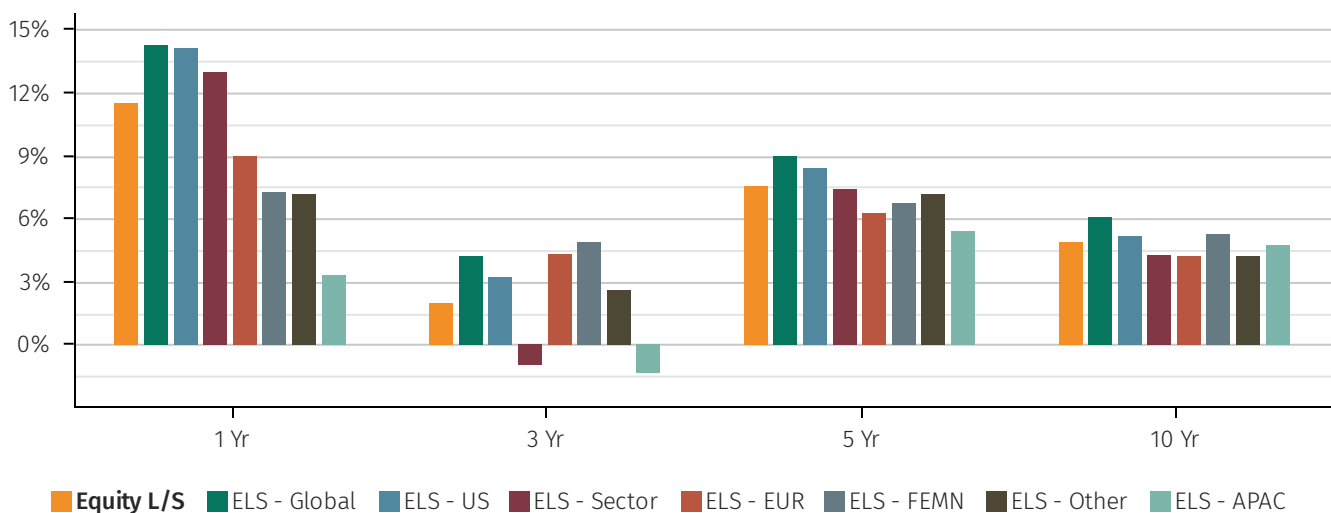
### ROLLING 12 MONTH NET RETURN (5 YR)



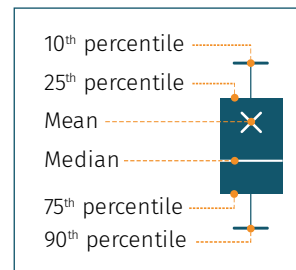
### CUMULATIVE NET RETURN (5 YR)



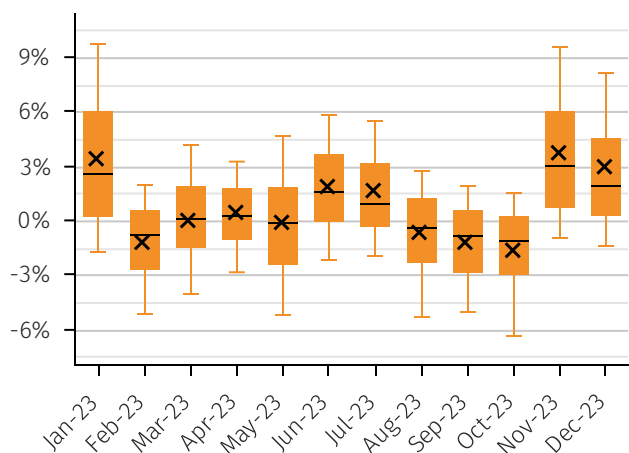
### COMPOUND RETURN (ANNUALISED)



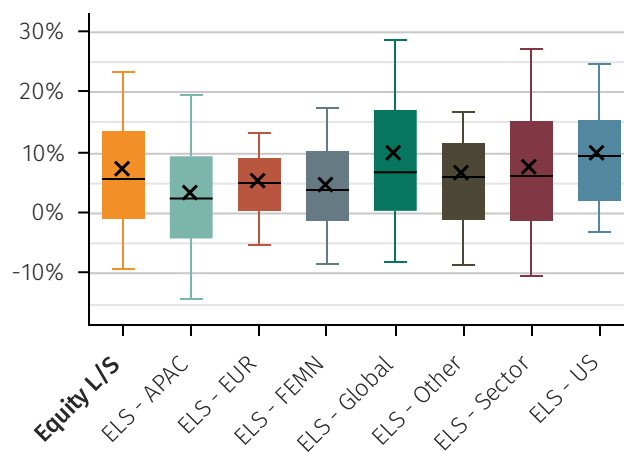
# Performance dispersion



## MASTER STRATEGY NET RETURN DISTRIBUTION

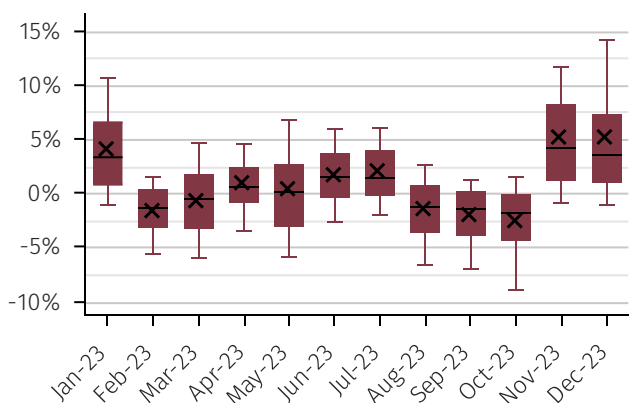


## SUB-STRATEGY NET RETURN (1 YR)

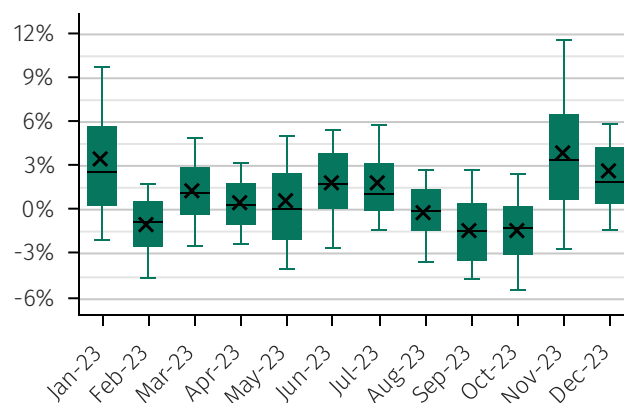


## SUB-STRATEGIES NET MONTHLY RETURN DISTRIBUTION

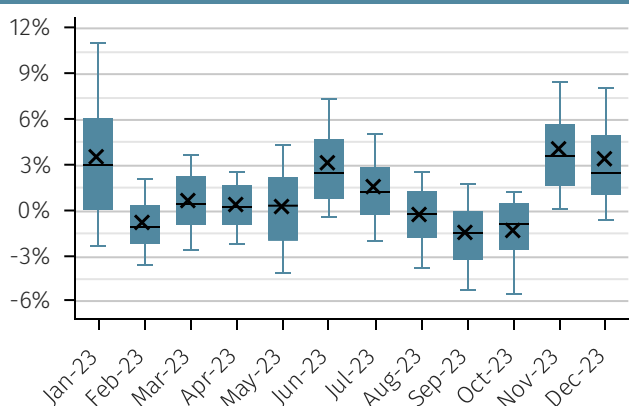
### ELS - Sector



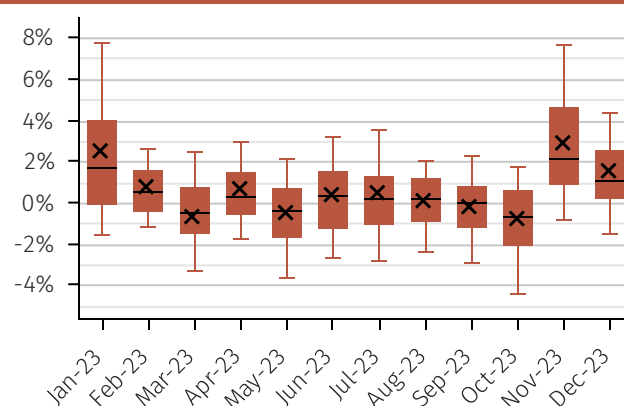
### ELS - Global



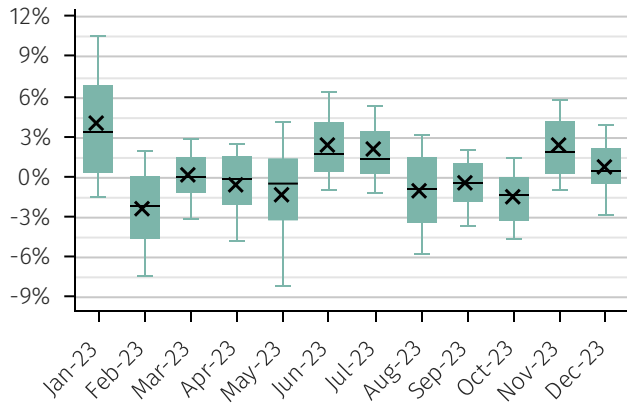
### ELS - US



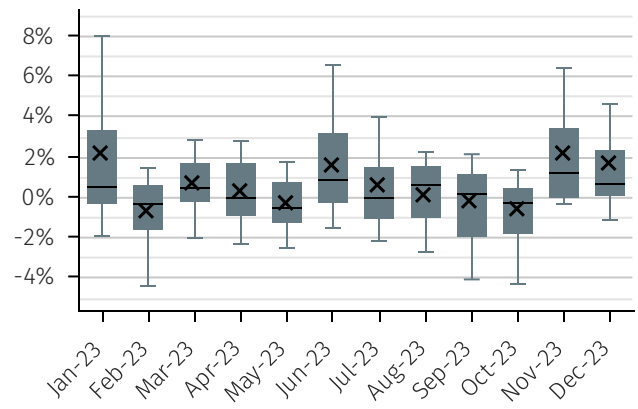
### ELS - EUR



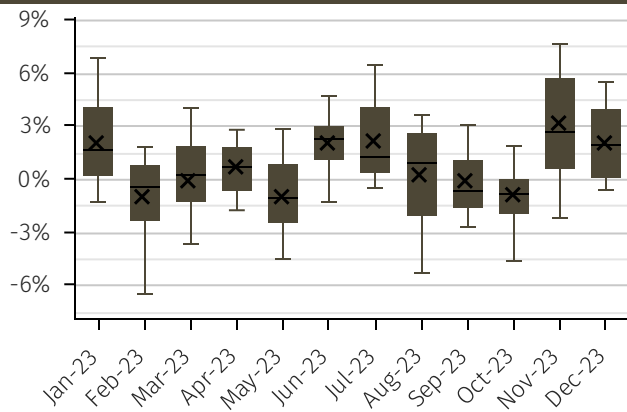
ELS - APAC



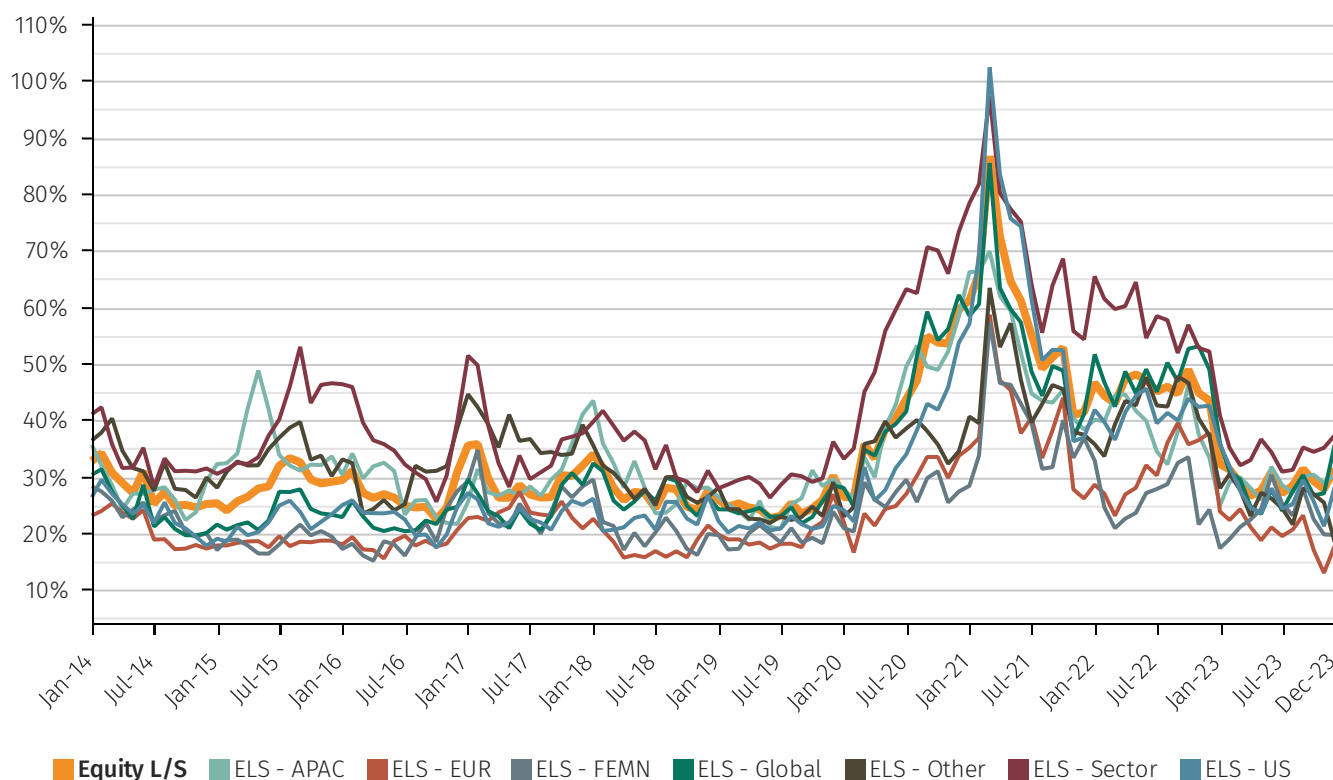
ELS - FEMN



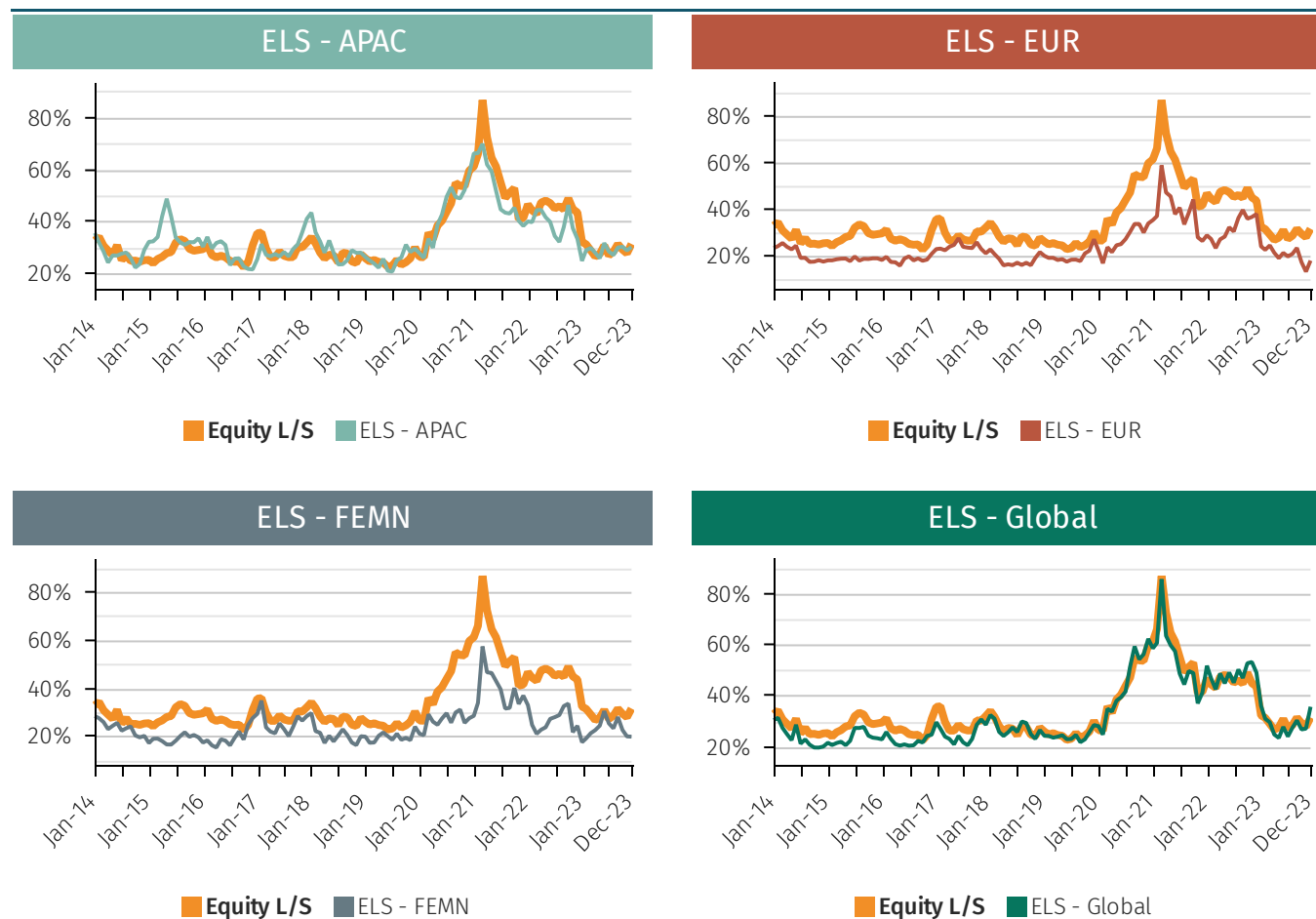
ELS - Other



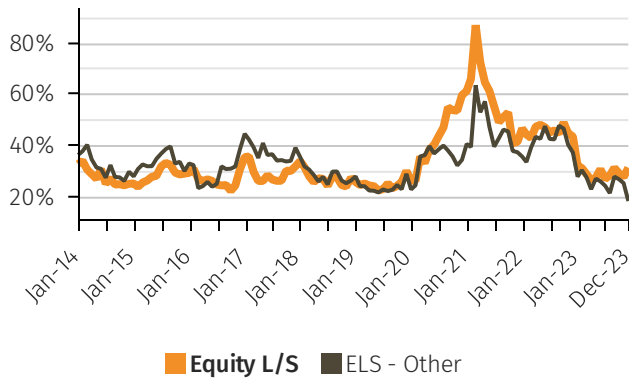
## 10<sup>th</sup> – 90<sup>th</sup> PERCENTILE 12M ROLLING PERFORMANCE SPREAD



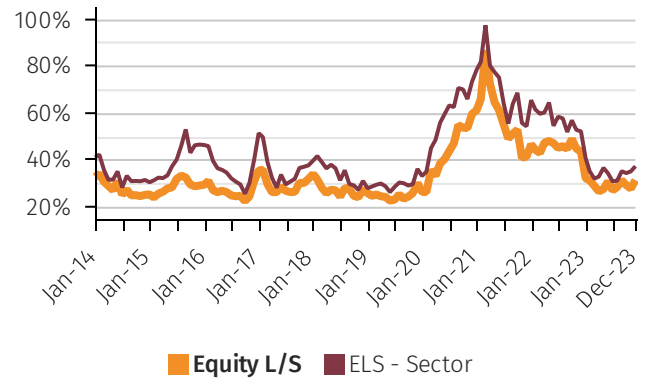
## 10<sup>th</sup> – 90<sup>th</sup> PERCENTILE 12M ROLLING PERFORMANCE SPREAD - SUB STRATEGY VS MASTER STRATEGY



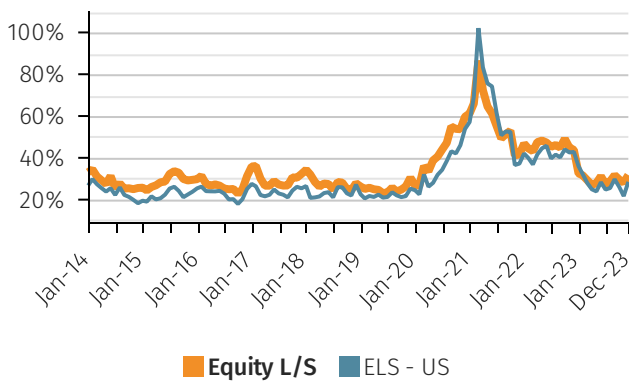
ELS - Other



ELS - Sector

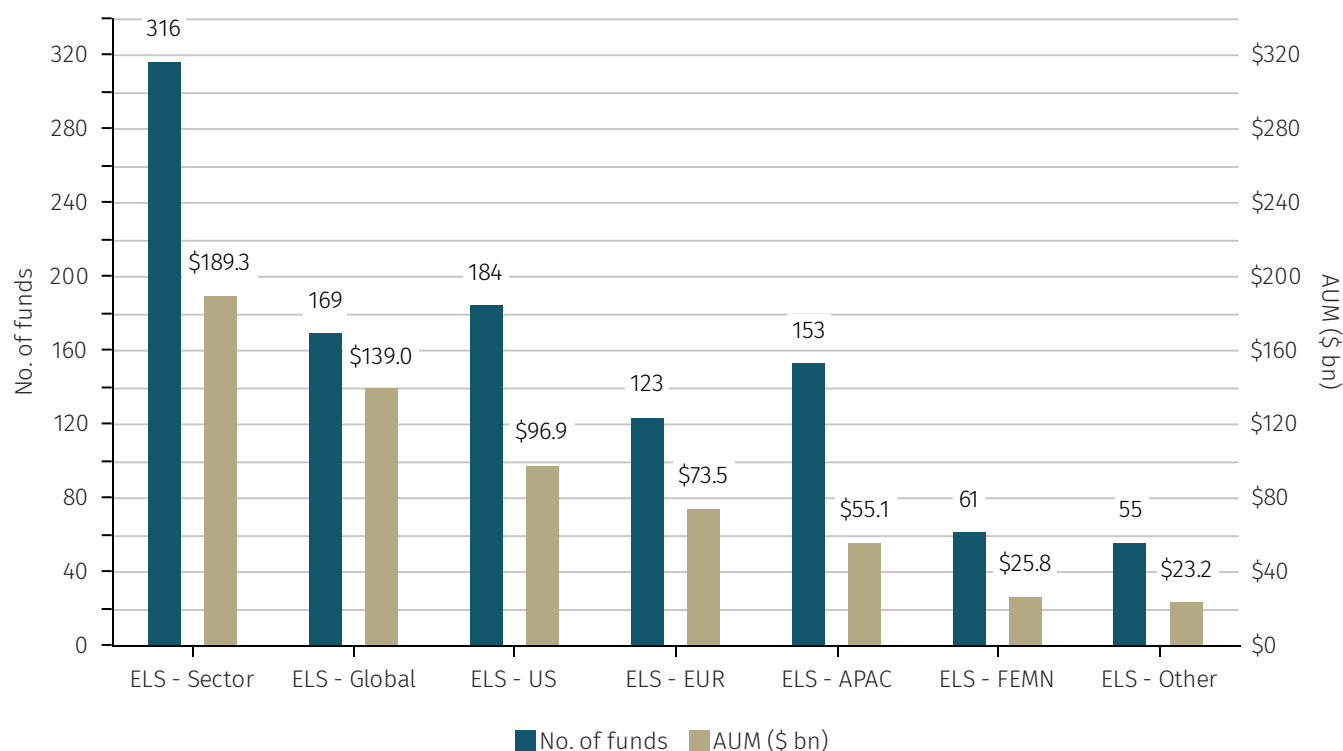


ELS - US

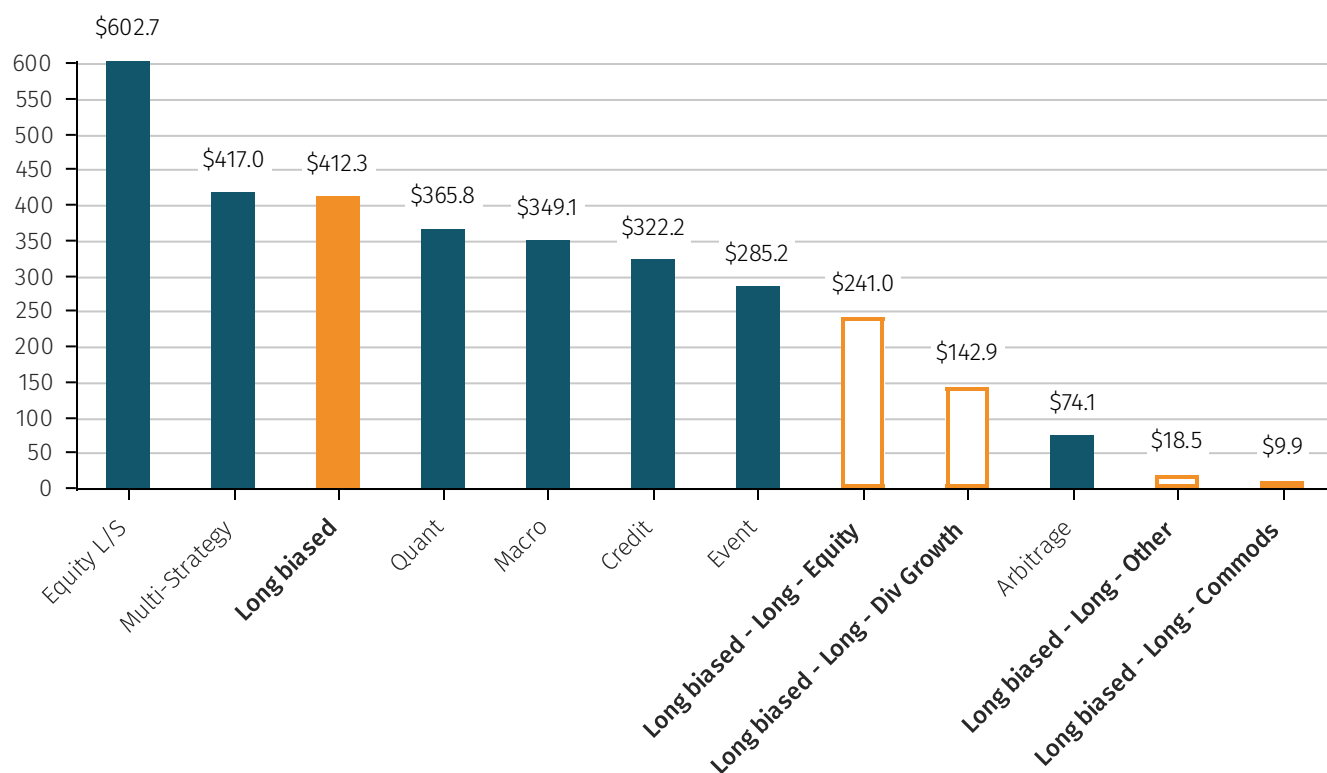


## Assets and flows

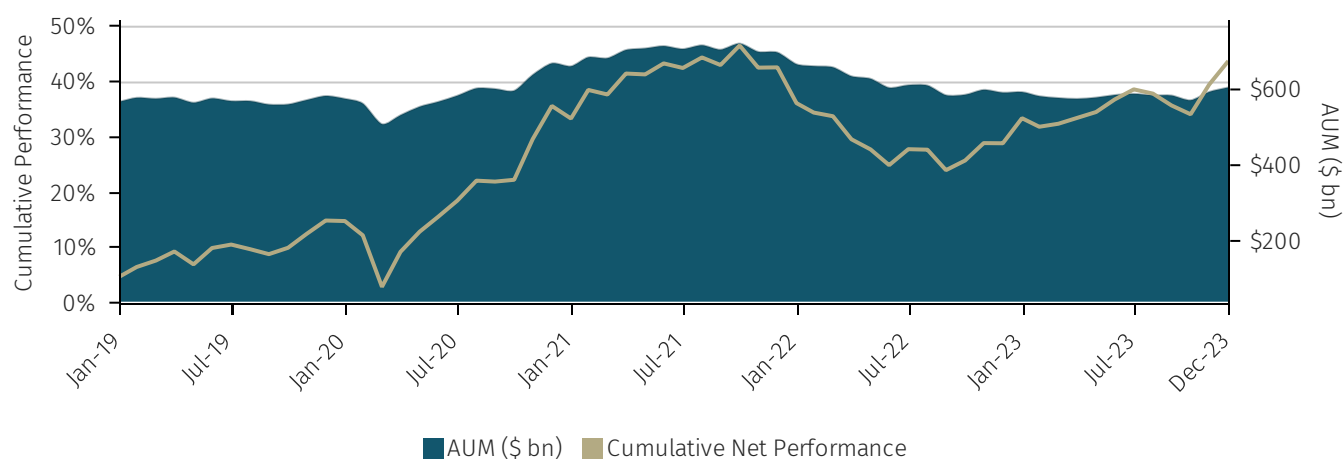
### NUMBER OF FUNDS AND AUM BY SUB-STRATEGY



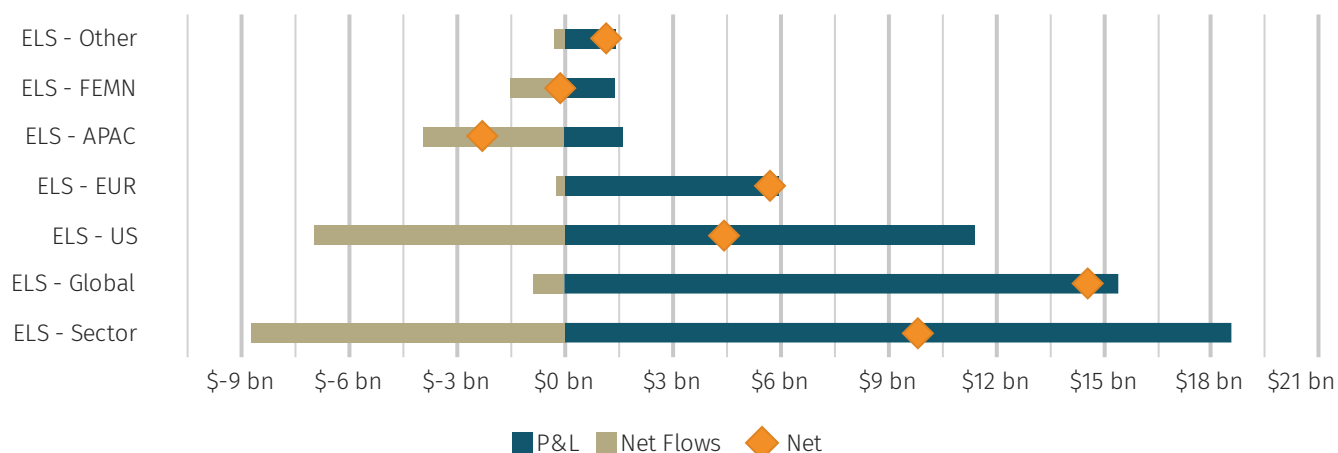
### CURRENT AUM OF MASTER STRATEGY (\$ BN)



## MASTER STRATEGY ASSETS (5 YR)\*



## 12-MONTH CHANGE IN AUM BY SUB-STRATEGY



## Terms and conditions

	Median redemption notice (days)	Median redemption frequency	Weighted avg. redemption total (days) <sup>1</sup>	Weighted avg. management fee	Weighted avg. performance fee
<b>Equity l/s</b>	<b>45</b>	<b>Monthly</b>	<b>129</b>	<b>1.47%</b>	<b>19.01%</b>
Asia pacific long/short (ELS – APAC)	30	Monthly	127	1.60%	20.31%
European long/short (ELS – EUR)	30	Monthly	88	1.30%	19.09%
Fundamental equity MN (ELS – FEMN)	30	Monthly	102	1.74%	19.38%
Global long/short (ELS – Global)	45	Quarterly	183	1.47%	19.25%
Other l/s (ELS – Other)	38	Monthly	60	1.11%	18.18%
Sector (ELS – Sector)	45	Quarterly	136	1.60%	18.39%
US long/short (ELS – US)	45	Quarterly	108	1.30%	18.83%

<sup>1</sup>Weighted Avg. Redemption Total (Days) is the weighted average of both redemptions notice days and redemption frequency days.

# Definitions

## Equity long/short

Investing in global stocks, both on the long and short side. Most funds have a fundamental bias, value and/or growth-oriented investment theses. Some managers may also be more tactical/technical in their approach, taking into account flows, positioning on the street and market dynamics as part of the investment decision making process.

## US equity long/short (ELS – US)

Investing the all or the vast majority of their portfolio into US stocks, both on the long and short side. Most funds have a fundamental bias, value and/or growth-oriented investment theses. Some managers may also be more tactical/technical in their approach, taking into account flows, positioning on the street and market dynamics as part of the investment decision making process.

## Asia pacific equity long/short (ELS – APAC)

Investing the all or the vast majority of their portfolio into Asian Pacific stocks, both on the long and short side. Most funds have a fundamental bias, value and/or growth-oriented investment theses. Some managers may also be more tactical/technical in their approach, taking into account flows, positioning on the street and market dynamics as part of the investment decision making process.

## European equity long/short (ELS – EUR)

Investing all or the vast majority of the portfolio in European stocks, both on the long and short side. Most funds have a fundamental bias, value and/or growth-oriented investment theses. Some managers may also be more tactical/technical in their approach, taking into account flows, positioning on the street and market dynamics as part of the investment decision making process.

## Global equity long/short (ELS – Global)

Investing the portfolio in global stocks, both on the long and short side. The fund is agnostic to country/region to maintain flexibility. Most funds have a fundamental bias, value and/or growth-oriented investment theses. Some managers may also be more tactical/technical in their approach, taking into account flows, positioning on the street and market dynamics as part of the investment decision making process.

## Fundamental equity market neutral (ELS – FEMN)

Investing the portfolio in stocks, both on the long and short side. To classify as 'equity market neutral' funds are expected to run with a very tight net exposure bias, which over the longer term should be close to zero. Note, different funds use different methodologies, e.g., some may run to be 'beta neutral', while others may be cash neutral (with a tolerance band around the zero level). The distinguishing characteristic is that such funds are typically very low net at all times, but some may run with varying degrees of factor or industry exposure, while others may have more stringent risk parameters around such exposures. Most funds have a fundamental bias, value and/or growth-oriented investment theses. Some managers may also be more tactical/technical in their approach, taking into account flows, positioning on the street and market dynamics as part of the investment decision making process.

## Sector (ELS – Sector)

Investing the portfolio in a specific sector, both on the long and short side. The funds may or may not be agnostic to country/region to maintain flexibility, however sector specialist funds tend to be US focused given that it is a very deep/broad market with sectors that are large enough to accommodate diversified sector specific portfolios. Most funds have a fundamental bias, value and/or growth-oriented investment theses. Some managers may also be more tactical/technical in their approach, taking into account flows, positioning on the street and market dynamics as part of the investment decision making process.

## Other l/s (ELS – Other)

Long short equity investing, which does not readily fit into the other classification taxonomy.

## Bond and equity indices

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## Note regarding decomposition returns

Please note that the charts and figures which reference the decomposition of dollar performance into alpha, beta and risk free components only use data from January 2013, unlike other charts and figures which use data for the full 10 year period, namely August 2012. This variance in time period used to present data is due to there being insufficient data to accurately construct a decomposition for the period of August 2012 to December 2012.

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