

Event Driven Only Hedge Fund Strategy in the Black for August

Event driven hedge funds produce average net returns of 0.49% in August

Preqin's Hedge Fund Analyst* database reveals that event driven was the only hedge fund strategy to produce positive returns in August (+0.49%), with all other single-manager hedge fund strategies falling back into the negative, with a benchmark return for all single-manager hedge funds of -0.08% in August.

Event driven hedge funds also have the highest year-to-date performance for single-manager hedge funds, with net returns of 9.40%, and have outperformed all other single-manager strategies over the last 12 months and on a three- and five-year annualized basis.

Other Key Facts:

- Long/short hedge funds were the top performing strategy in July, with average net returns of 2.16%, but failed to match this in August, posting average net returns of -0.04%.
- CTAs are now on a 4-month losing streak after posting average net returns of -0.56% in August, with year-to-date performance of -2.54%.
- Macro strategy funds of hedge funds have year-to-date net returns of 3.45%, while macro strategy single-manager hedge funds have only managed net returns of 0.27% so far this year.
- Long/short hedge funds remain the most favoured strategy among investors, with 58% of investors we spoke to in August planning to make new investments in long/short funds over the next 12 months. 16% plan to invest in event driven hedge funds.
- European hedge funds avoided negative returns in August, posting average net returns of 0.19%, while North American hedge funds broke even.
- Asia-Pacific remains the top performing region over the last 12 months, with Asia-Pacific-focused hedge funds producing net returns of 16.64% over the past year, despite August returns of -0.33%.
- JPY-denominated hedge funds have produced impressive year-to-date returns of 17.14% and have an average net return of 24.79% for the past 12 months.

For more information and analysis, please see

http://www.preqin.com/docs/newsletters/HF/Preqin_Hedge_Fund_Spotlight_September_2013.pdf

Comment:

"Despite returns entering positive territory again in July following the negative returns of June, August has again been another disappointing month for hedge funds, with the benchmark down -0.08% for the month. Event driven was the only hedge fund strategy that managed to post positive returns in August at 0.49%, with the strategy producing returns of 16.15% over the past 12 months. CTAs, however, have continued to struggle and posted negative returns for the fourth consecutive month. While Asia-Pacific hedge funds endured a disappointing August, posting average net returns of -0.33%, hedge funds focused on the region have produced the highest net returns over the last 12 months at 16.64%."

Amy Bensted, Head of Hedge Funds Products

Note to Editors:

- Preqin is spelled without the letter 'U' after the 'Q', the company name being an amalgamation of the former name, Private Equity Intelligence.

About Preqin:

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

New York: One Grand Central Place, 60 E 42nd Street, Suite 2544, New York NY 10165 Tel: +1 212 350 0100

London: Equitable House, 47 King William Street, London EC4R 9AF Tel: +44 (0)20 7645 8888

Singapore: One Finlayson Green, #11-02, Singapore 049246 Tel: +65 6305 2200

San Francisco: 580 California Street, Suite 1638, San Francisco, CA 94104 Tel: +1 415 635 3580

Web: www.preqin.com / info@preqin.com

*Preqin's Hedge Fund Analyst provides detailed information on the entire hedge fund industry, including individual fund-level performance information for over 6,300 vehicles, detailed profiles for over 5,900 fund managers and over 19,000 funds and share classes, and information on hedge fund terms and conditions. This online service is constantly updated by our dedicated team of research analysts and also features profiles of fund administrators, custodians, prime brokers, auditors and law firms.

Preqin has built a reputation in the alternative assets industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin's services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: www.preqin.com

For more information, please contact: Amy Bensted on +44 (0)20 7397 9420 or abensted@preqin.com
For general press information, please contact: Helen Kenyon +44 (0)20 7645 8880 or press@preqin.com