

PREQIN HEDGE FUND PERFORMANCE UPDATE: JANUARY 2018

SINGLE-MANAGER HEDGE FUNDS

| | Jan-18 | Dec-17 | 12 Months | 3 Year Annualized | 12M Trend |
|------------------------------|-------------|-------------|--------------|-------------------|-----------|
| Hedge Funds | 2.18 | 1.16 | 12.08 | 7.70 | |
| HF - Equity Strategies | 2.78 | 1.58 | 16.20 | 8.85 | |
| HF - Credit Strategies | 2.04 | 0.91 | 10.87 | 7.01 | |
| HF - Event Driven Strategies | 1.85 | 0.72 | 6.45 | 5.89 | |
| HF - Macro Strategies | 1.60 | 1.68 | 10.17 | 7.90 | |
| HF - Multi-Strategy | 1.20 | 0.08 | 5.11 | 4.71 | |
| HF - Relative Value | 0.96 | 0.45 | 7.39 | 6.56 | |
| Systematic | 2.39 | 1.24 | 12.94 | 8.25 | |
| Discretionary | 2.38 | 1.52 | 13.93 | 9.43 | |
| Activist | 1.52 | 1.21 | 11.13 | 8.69 | |
| Volatility | 1.36 | 0.67 | 8.82 | 6.13 | |
| HF - Asia-Pacific | 3.92 | 1.23 | 16.94 | 10.93 | |
| HF - Developed Markets | 2.66 | 1.27 | 11.29 | 7.12 | |
| HF - North America | 1.71 | 1.13 | 9.81 | 7.46 | |
| HF - Europe | 1.68 | 1.47 | 17.77 | 9.21 | |
| HF - Emerging Markets | 1.51 | 0.89 | 9.37 | 6.47 | |
| HF - JPY | 4.08 | 1.53 | 16.42 | 16.70 | |
| HF - USD | 2.38 | 1.24 | 12.81 | 7.45 | |
| HF - GBP | 1.24 | 0.52 | 5.82 | 3.56 | |
| HF - EUR | 0.62 | 0.90 | 6.11 | 3.89 | |
| HF - BRL | 0.61 | 0.98 | 10.82 | 7.58 | |
| HF - Emerging* | 2.37 | 1.29 | 11.88 | 7.86 | |
| HF - Small | 2.13 | 1.04 | 11.99 | 7.55 | |
| HF - Medium | 2.06 | 1.03 | 11.12 | 6.94 | |
| HF - Large | 1.51 | 0.78 | 9.47 | 5.54 | |

Source: Preqin Hedge Fund Online

- The Preqin All-Strategies Hedge Fund benchmark generated **2.18%** in January 2018. This is the strongest start to a calendar year since 2013 (+3.49%) and the highest return in a single calendar month since July 2016 (+2.24%). All top-level strategies, trading styles and geographic foci posted positive monthly returns.
- Equity strategies continued to lead the pack in January (+2.78%) taking the 12-month return of the strategy to **16.20%**, significantly outstripping that of other top-level strategies by over five percentage points.
- Hedge funds with a focus on emerging markets also posted strong returns (+3.92%), returning **10.93%** on a three-year annualized basis.
- Emerging hedge funds (less than \$100mn in size) added **2.37%** in January. This is the benchmark's 23rd consecutive positive month and its best return in the past five years.

MULTI-MANAGER HEDGE FUNDS

| | Jan-18 | Dec-17 | 12 Months | 3 Year Annualized | 12M Trend |
|-----------------------------|-------------|-------------|-------------|-------------------|-----------|
| Funds of Hedge Funds | 1.97 | 0.47 | 7.73 | 3.06 | |
| FOHF - Equity Strategies | 2.51 | 0.84 | 12.34 | 4.84 | |
| FOHF - Multi-Strategy | 1.78 | 0.29 | 6.64 | 2.48 | |
| FOHF - USD | 2.30 | 0.72 | 8.81 | 3.36 | |
| FOHF - EUR | 1.69 | 0.20 | 5.23 | 1.06 | |
| Funds of CTAs | 6.09 | 0.87 | 8.04 | -2.70 | |

Source: Preqin Hedge Fund Online

PREQIN'S HEDGE FUND DATA

Preqin's **online platform** is the leading source of intelligence on the hedge fund industry, and contains performance information for over 16,000 hedge funds across all leading strategies and geographies.

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

www.preqin.com/hedgefunds

Please note, all performance information includes preliminary data for January 2018 based on net returns reported to Preqin in early February 2018. Although stated trends and comparisons are not expected to alter significantly, final benchmark values are subject to change.

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

LIQUID ALTERNATIVES

| | Jan-18 | Dec-17 | 12 Months | 3 Year Annualized | 12M Trend |
|---------------------------------|-------------|-------------|-------------|-------------------|-----------|
| Alternative Mutual Funds | 2.68 | 0.09 | 8.54 | 3.48 | |
| UCITS | 1.71 | 0.48 | 7.60 | 3.24 | |
| UCITS - Relative Value | 2.54 | 0.98 | 12.60 | 5.10 | |
| UCITS - Equity Strategies | 1.64 | -0.03 | 4.55 | 1.51 | |
| UCITS - Macro Strategies | 0.90 | -0.02 | 2.19 | 1.37 | |
| UCITS - USD | 2.38 | 0.69 | 11.64 | 4.21 | |
| UCITS - EUR | 1.62 | 0.27 | 5.95 | 2.46 | |

Source: Preqin Hedge Fund Online

CTAs

| | Jan-18 | Dec-17 | 12 Months | 3 Year Annualized | 12M Trend |
|---------------|-------------|-------------|-------------|-------------------|-----------|
| CTAs | 3.54 | 0.84 | 7.43 | 1.48 | |
| Systematic | 4.20 | 1.04 | 8.56 | 0.70 | |
| Discretionary | 2.30 | -0.04 | 3.08 | 2.39 | |
| CTA - USD | 5.19 | 1.26 | 12.05 | 1.61 | |
| CTA - EUR | 3.64 | 0.86 | 7.73 | 1.58 | |

Source: Preqin Hedge Fund Online