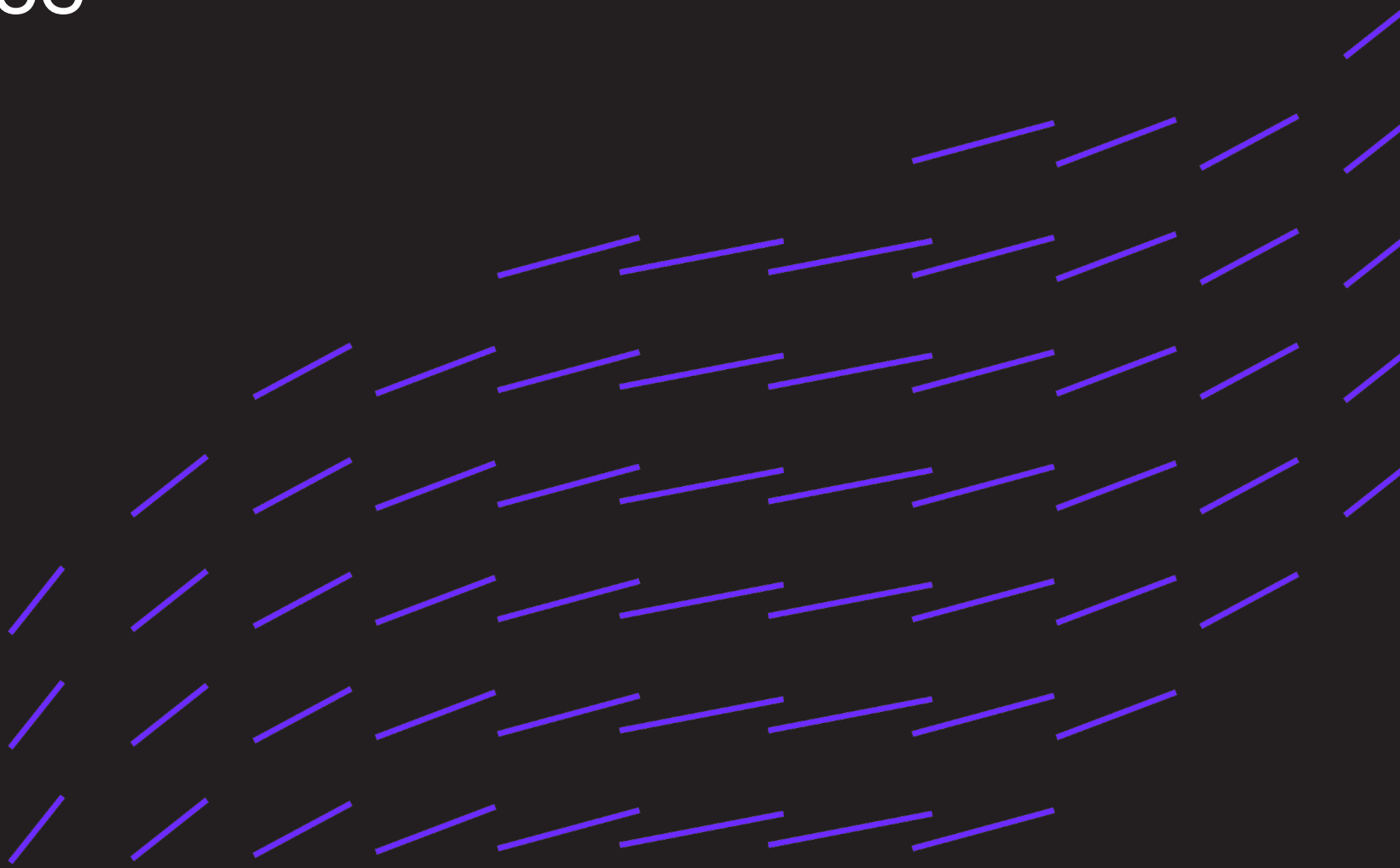


with.
Intelligence

Hedge Fund Flows
for **February**

*Data as of 25 March and
subject to future revision.*

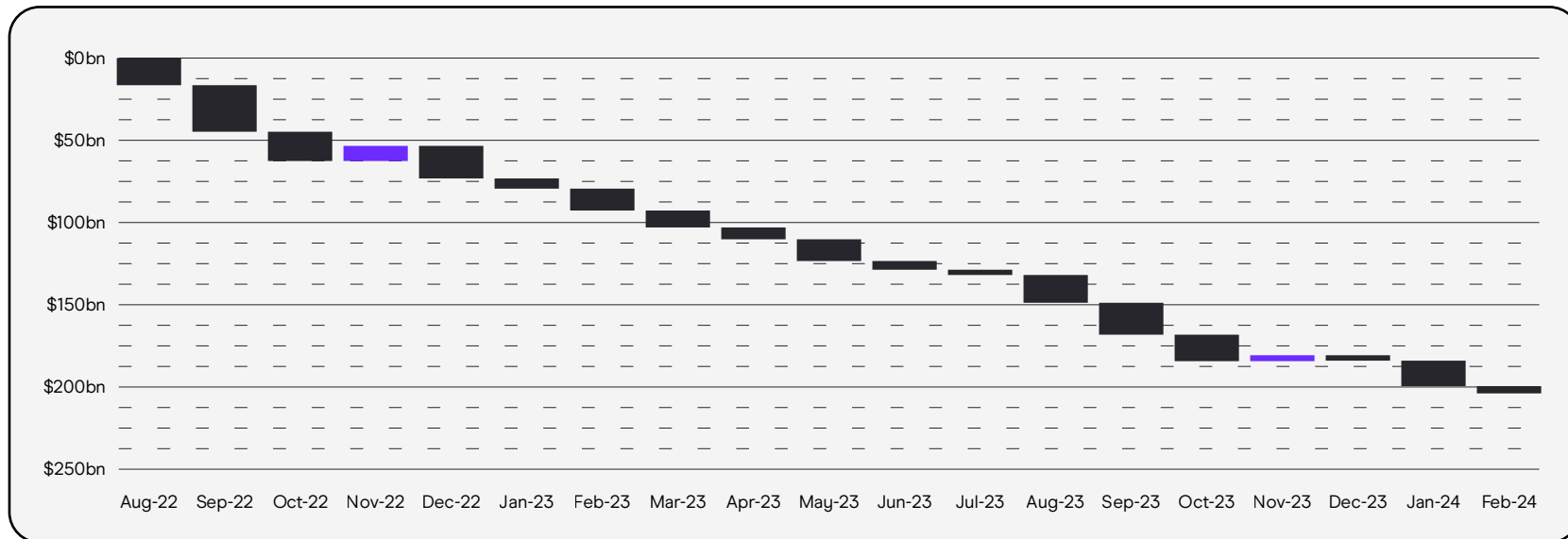
A decorative pattern of numerous thin, parallel purple diagonal lines arranged in a grid-like fashion, extending from the bottom right towards the top right of the page.

Introduction



Outflows from hedge funds eased in February with North America-based funds seeing their first inflows (\$0.3bn) since March 2022 as US equity markets continued to surge on AI-induced hype. Hedge funds saw estimated outflows of \$4.4bn, a significant improvement from January (-\$15.5bn) with most strategies having lower redemptions. All strategies except macro saw net outflows, bringing the YTD figure to \$19.9bn. Long/short equity, representing about one-third of overall hedge fund assets, had the largest outflows (-\$2bn) down from January (-\$5.4bn). Fixed income/credit had the second-highest outflow (-\$0.8bn) in a reversal from Q4 2023 when it was the only strategy to have net inflows (\$2.2bn). CTA/managed futures was the best-performing strategy and had the largest decrease in asset outflows in February, -\$0.5bn compared with -\$4.2bn in January. Multi-strategy had its lowest outflows (-\$0.1bn) for seven months as larger multi-managers continued to outperform. Hedge fund performance continued to be positive in February contributing to \$24.1bn of performance-based asset growth in 2024.

Monthly net asset flows progression



-\$4.4bn

Net asset flows in February

\$3.90tn

Industry AuM at the end of February

Data as of 25 March and subject to future revision. Based on 68% of database reporting January data. Source: With Intelligence



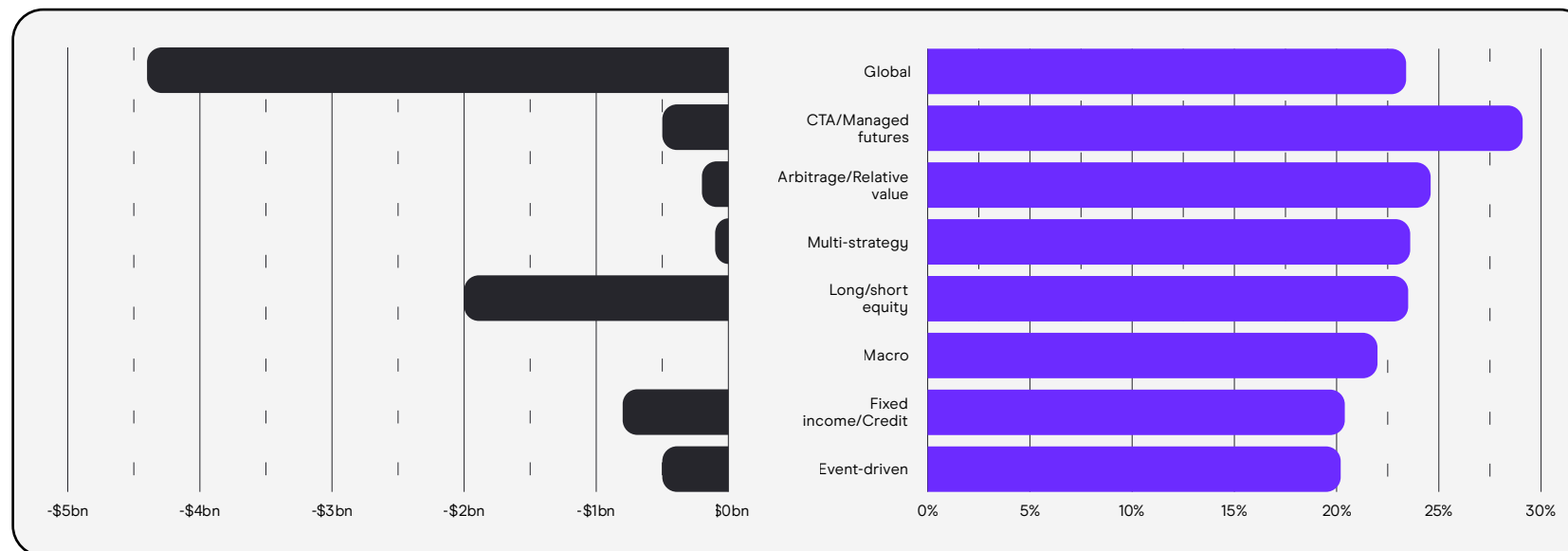
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February hedge fund flows across strategy and region



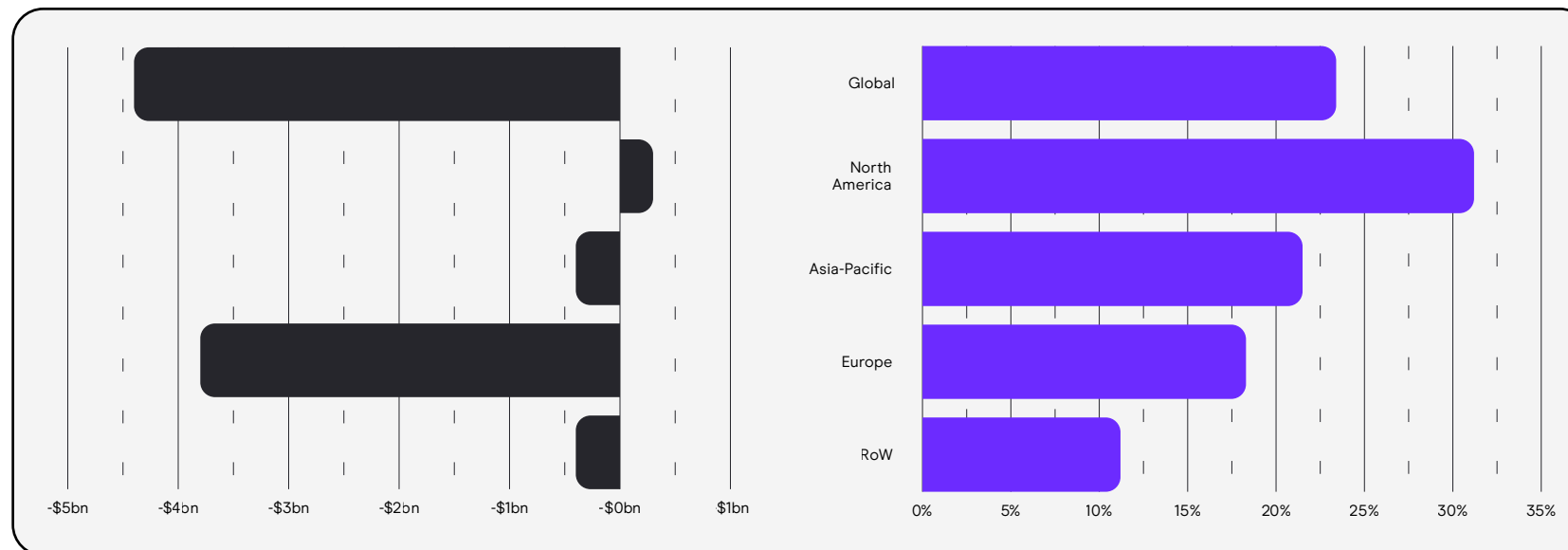
Hedge fund flows — strategy

Percentage of hedge funds to attract net inflows



Hedge fund flows — region

Percentage of hedge funds to attract net inflows



North America had its first monthly inflows (\$0.3bn) since March 2022 after four consecutive months of positive performance amid an ongoing US equities rally and encouraging macroeconomic indicators.

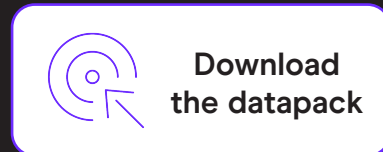
Multi-strategy had its lowest monthly outflows (-\$0.1bn) for seven months.

Fixed income/credit had a second month of redemptions (-\$0.8bn) as central banks again delayed interest rates cuts.

All regions saw a reduction in outflows in February. Europe saw the greatest outflows (-\$3.8bn) as investors remained wary about Eurozone growth prospects and repeated setbacks in the Ukraine conflict.

Arbitrage/relative value was the only strategy not to see improved flows (-\$0.2bn) even as investors anticipated the end of the US high interest rate cycle.

Data as of 25 March and subject to future revision. Based on 68% of database reporting January data. Source: With Intelligence

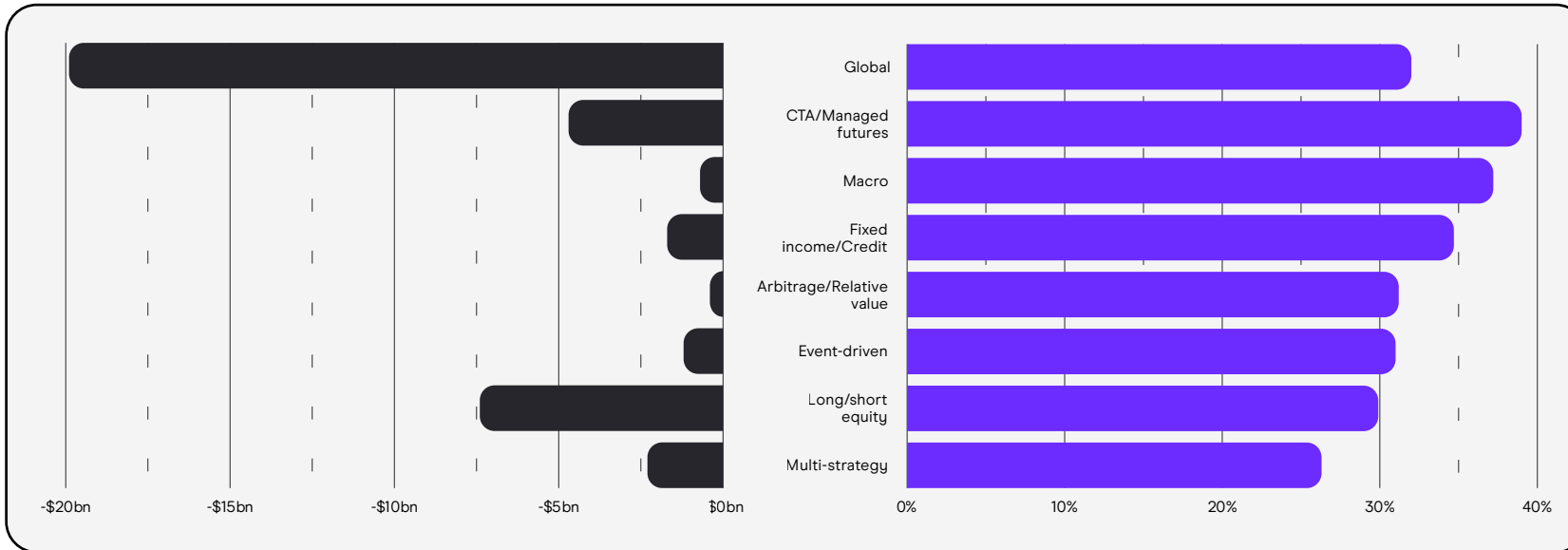


YTD hedge fund flows across strategy and region



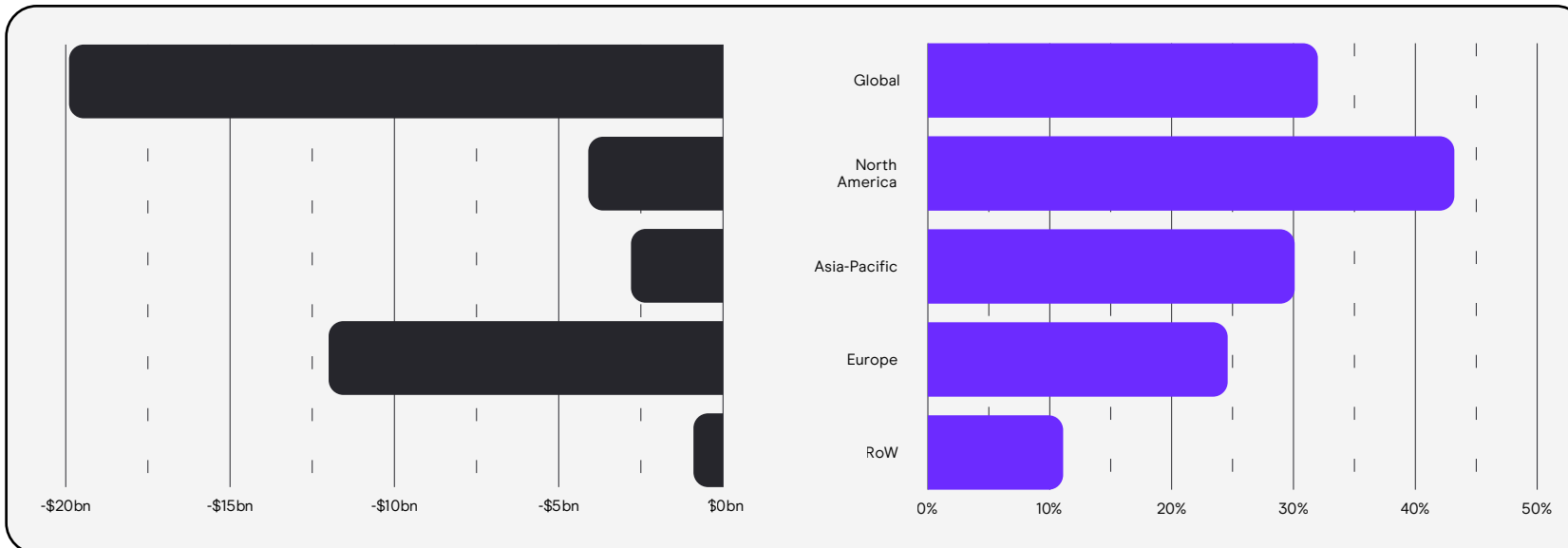
Hedge fund flows — strategy

Percentage of hedge funds to attract net inflows



Hedge fund flows — region

Percentage of hedge funds to attract net inflows



An estimated \$19.9bn of net outflows this year has been off-set by \$24.1bn of performance-based gains. Only one-third of funds globally have received net inflows.

Almost two-fifths of CTA/managed futures funds have attracted net inflows in 2024, the highest among all strategies. CTAs have averaged a 5.4% three-year annualized return, second only to multi-strategy funds.

By strategy, long/short equity (-\$7.4bn) and CTA/managed futures (-\$4.7bn) have seen the largest outflows in 2024, although CTAs are the only strategy to attract net inflows over the past three years.

Less than one-quarter of Europe-focused funds have received net inflows this year. The region has seen the largest outflows, an estimated \$12bn, with anemic growth in the UK and Eurozone, reversals in Ukraine and ongoing high interest rates all impacting investment decisions.

Data as of 25 March and subject to future revision. Based on 68% of database reporting January data. Source: With Intelligence



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Performance and flows



February performance-based growth and asset flows

	Start assets (\$bn)	Net perf growth (\$bn)	Net flows (\$bn)	End assets (\$bn)	Change (%)
Hedge fund industry	3,892	14.8	-4.4	3,903	0.3
North America	2,582	7.6	0.3	2,590	0.3
Asia-Pacific	461	2.1	-0.4	462	0.4
Europe	7,534	4.9	-3.8	755	0.1
RoW	96	0.2	-0.4	96	-0.2
Arbitrage/relative value	311	0.5	-0.2	312	0.1
CTA/managed futures	263	5.1	-0.5	267	1.8
Event-driven	237	0.5	-0.5	237	0.0
Fixed income/credit	641	0.4	-0.8	640	-0.1
Long/short equity	1,119	7.0	-2.0	1,124	0.4
Macro	407	0.5	0.0	408	0.1
Multi-strategy	844	0.7	-0.1	845	0.1
Others	88	1.2	-0.3	88	1.0

YTD performance-based growth and asset flows

	Start assets (\$bn)	Net perf growth (\$bn)	Net flows (\$bn)	End assets (\$bn)	Change (%)
Hedge fund industry	3,899	24.1	-19.9	3,903	0.1
North America	2,581	13.5	-4.1	2,590	0.4
Asia-Pacific	463	1.8	-2.8	462	-0.2
Europe	758	8.9	-12.0	755	-0.4
RoW	97	-0.1	-0.9	96	-1.0
Arbitrage/relative value	311	1.1	-0.4	312	0.2
CTA/managed futures	265	7.5	-4.7	267	1.1
Event-driven	237	0.7	-1.2	237	-0.2
Fixed income/credit	639	2.4	-1.7	640	0.1
Long/short equity	1,123	8.5	-7.4	1,124	0.1
Macro	407	1.1	-0.7	408	0.1
Multi-strategy	845	2.0	-2.3	845	0.0
Others	87	1.7	-0.5	88	1.4

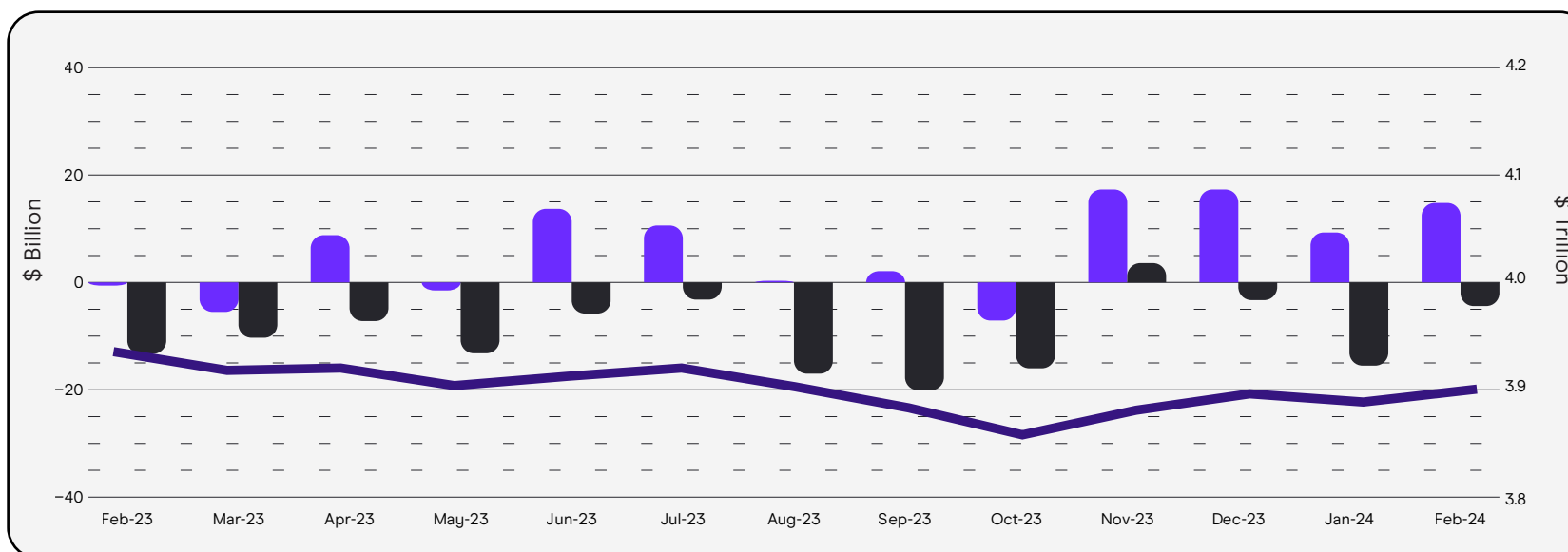
North America had a fourth consecutive month of performance-based gains in February (\$7.6bn) as almost one-third of North America-focused funds saw net inflows during February.

Long/short equity was the best-performing strategy in February (\$7bn) with almost a quarter of funds attracting net inflows last month as stock markets renewed their positive appetite for AI developments and tech stocks.

February's estimated \$14.8bn of performance-based growth was driven by North America (\$7.6bn) and Europe (\$4.9bn), while even Asia-Pacific (\$2.1bn) benefited from consistent rises in Chinese equities.

Asset flows data over past 12 months

● Performance-based growth ● Net flows ● Total industry assets



Data as of 25 March and subject to future revision. Based on 68% of database reporting January data. Source: With Intelligence



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Asset flow appendices



Hedge fund flows | Quarterly (\$bn)

Index	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	2024	2023	2022	2021
Global	-19.9	-15.7	-40.3	-26.2	-29.8	-28.4	-70.0	-53.0	-12.3	-7.2	-19.9	-112.0	-163.7	13.3
Arbitrage/Relative value	-0.4	-1.8	-1.5	-1.9	-2.7	-0.1	-5.4	-3.3	0.0	-0.2	-0.4	-7.9	-8.8	9.5
CTA/Managed futures	-4.7	-0.4	-3.8	-0.9	3.1	-1.2	-5.9	5.2	2.3	-0.2	-4.7	-2.0	0.4	1.7
Event-driven	-1.2	-2.4	-3.8	-3.8	-4.1	-1.9	-6.8	-4.3	0.4	-0.2	-1.2	-14.1	-12.6	-0.6
Fixed income/Credit	-1.7	2.2	-5.9	-5.5	-1.7	-4.3	-21.6	-22.5	-9.2	-5.9	-1.7	-10.9	-57.6	7.1
Long/short equity	-7.4	-4.6	-14.4	-8.2	-13.0	-4.2	-15.2	-16.5	-8.0	-1.4	-7.4	-40.2	-43.9	-9.5
Macro	-0.7	-3.3	-3.3	0.1	-8.1	-1.5	-5.2	-5.8	-2.3	-0.1	-0.7	-14.6	-14.8	-4.7
Multi-strategy	-2.3	-4.7	-5.3	-6.0	-3.7	1.4	-8.3	-5.3	4.5	1.0	-2.3	-19.7	-7.7	9.1
Others	-0.5	-0.9	-2.1	0.0	-0.6	-1.3	-1.9	-0.5	-0.1	-0.1	-0.5	-3.6	-3.8	1.0
North America	-4.1	-6.9	-8.9	-9.1	-8.2	-19.5	-25.3	-13.3	0.0	-0.6	-4.1	-33.1	-58.1	18.3
Asia-Pacific	-2.8	-0.4	-2.9	-2.1	-4.1	-5.7	-0.3	-4.0	-2.1	-2.6	-2.8	-9.5	-12.1	4.2
Europe	-12.0	-7.9	-27.2	-14.6	-16.4	-3.0	-41.8	-29.4	-13.8	-2.0	-12.0	-66.1	-88.0	-4.3
RoW	-0.9	-0.6	(1.4)	-0.4	-1.2	-0.1	-2.5	-6.3	3.6	-2.2	-0.9	-3.6	-5.3	-5.2

Hedge fund flows | Monthly (\$bn)

Index	Feb-24	Jan-24	Dec-23	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	May-23	Apr-23	Mar-23	3m	12m
Global	-4.4	-15.5	-3.3	3.6	-16.0	-20.1	-17.0	-3.2	-5.8	-13.2	-7.2	-10.3	-23.2	-112.4
Arbitrage/Relative value	-0.2	-0.2	-1.5	0.2	-0.5	-1.1	-0.5	0.1	-0.7	-0.6	-0.6	-1.2	-1.9	-6.8
CTA/Managed futures	-0.5	-4.2	0.8	0.0	-1.2	-2.6	-2.1	0.9	0.6	-1.1	-0.4	1.4	-3.9	-8.4
Event-driven	-0.5	-0.7	-0.8	0.2	-1.8	-1.4	-1.3	-1.1	-1.5	-1.6	-0.7	-1.4	-2.0	-12.6
Fixed income/Credit	-0.8	-0.9	0.6	3.8	-2.2	-4.1	-3.2	1.4	-0.2	-2.9	-2.4	1.5	-1.1	-9.4
Long/short equity	-2.0	-5.4	0.7	0.7	-6.0	-5.7	-5.1	-3.6	-1.4	-5.1	-1.7	-3.2	-6.7	-37.8
Macro	0.0	-0.7	-1.4	-0.7	-1.2	-1.5	-1.4	-0.4	-0.2	0.4	-0.1	-6.5	-2.1	-13.7
Multi-strategy	-0.1	-2.2	-0.8	-0.7	-3.2	-2.7	-2.7	0.1	-2.2	-2.2	-1.6	-1.5	-3.1	-19.8
Others	-0.3	-0.2	-1.0	0.2	-0.1	-0.7	-0.8	-0.6	-0.1	0.0	0.1	0.2	-1.5	-3.3
North America	0.3	-4.4	-1.6	-1.7	-3.6	-5.0	-3.5	-0.4	-5.3	-2.2	-1.6	-7.7	-5.7	-36.7
Asia-Pacific	-0.4	-2.4	-0.4	0.9	-0.9	-0.7	-1.6	-0.6	0.1	-1.1	-1.1	-2.2	-3.2	-10.4
Europe	-3.8	-8.2	-1.3	4.3	-10.9	-14.0	-10.8	-2.4	-1.2	-9.0	-4.4	-0.7	-13.3	-62.4
RoW	-0.4	-0.5	0.0	0.0	-0.6	-0.5	-1.0	0.1	0.7	-0.9	-0.2	0.2	-0.9	-3.1

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