

Greenwich Global Hedge Fund Index off -0.52% in October

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Hedge funds were down -0.52% in October, masking a sizable performance spread among the constituent strategies. A combination of the U.S. election cycle, oil production caps, weak Chinese trade data, the specter of rising interest rates, and a scare over the future of Deutsche Bank weighed on global equity markets, as represented by the -2.01% return of the MSCI World Equity Index. The Barclays Aggregate Bond Index (-0.76%) experienced its worst month since mid-2015 as fixed income traders began to bake in expected rate hikes by the world's central banks.

Global Index Strategy Highlights

- For the third month in a row, Distressed Securities managers posted the best strategy performance with a +3.68% return. Their index is up +13.44% year-to-date, ahead of every other strategy by at least 5%.
- Short-biased managers (+1.51%) took advantage of some equity markets' gradual selloffs as the U.S. Presidential race tightened and certainty over the outcome waned. Other Long-Short Equity strategies couldn't stay positive for the month against the backdrop of the election combined with a disappointing start to earnings season.
- The Americas were once again the leader of the Regional Indices with an impressive +5.54%, pushing the year-to-date number close to +30%.

Strategy Group Summary	October 2016	September 2016	YTD Return
Greenwich Global Hedge Fund Index	-0.52%	0.55%	2.89%
Market Neutral Group	0.77%	0.59%	5.95%
Equity Market Neutral	0.17%	0.21%	0.96%
Event-Driven	0.88%	0.68%	8.42%
Distressed Securities	3.68%	1.30%	13.44%
Merger Arbitrage	-0.48%	0.46%	2.62%
Diversified Event-Driven	-0.42%	0.38%	7.17%
Arbitrage	1.15%	0.74%	5.52%
Convertible Arbitrage	1.77%	0.71%	8.33%
Fixed Income Arbitrage	0.66%	0.88%	5.12%
Other Arbitrage	1.30%	0.33%	-0.24%
Long-Short Equity Group	-0.63%	0.95%	3.38%
Growth	-1.13%	1.35%	4.50%
Opportunistic	-1.14%	0.81%	1.53%
Short-Biased	1.51%	-1.35%	-9.61%
Value	-0.22%	0.86%	3.93%
Directional Trading Group	-1.63%	-0.15%	-0.76%
Futures	-2.06%	-0.28%	-1.33%
Macro	-0.31%	0.21%	1.03%
Specialty Strategies Group	0.04%	0.48%	3.03%
Long-Short Credit	0.43%	0.83%	7.54%
Multi-Strategy	-0.19%	0.20%	-0.22%
Greenwich Regional Hedge Fund Indices	October 2016	September 2016	YTD Return
Developed Markets			
Composite Regional Index	-0.72%	0.51%	1.90%

Global Regional Index	-1.14%	0.22%	0.13%
Asia Regional Index	0.96%	0.84%	3.21%
Europe Regional Index	-0.59%	0.52%	-3.11%
Americas Regional Index	-0.60%	0.79%	5.09%

Emerging Markets

Composite Regional Index	1.31%	0.68%	10.78%
Global Regional Index	1.55%	0.62%	11.05%
Asia Regional Index	-0.23%	0.57%	2.68%
Europe Regional Index	0.76%	1.86%	21.31%
Americas Regional Index	5.54%	0.28%	28.59%

The Greenwich Global Hedge Fund Index is one of the oldest benchmarks of the hedge fund universe. Final Index results will be available in next month's first week. Past performance and index construction rules for all Greenwich Hedge Fund Indices may be viewed at www.greenwichai.com.

About Greenwich Alternative Investments

Greenwich Alternative Investments, LLC (and its affiliates) manages one of the world's largest hedge fund databases and is among the oldest providers of hedge fund indices, asset management services, and research to institutional investors worldwide.

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