

Bridgewater All Weather Fund loses 7 percent in 2015

Stockholm (HedgeNordic) - Bridgewater Associates, the world's largest hedge fund firm, faced challenging conditions in 2015 as their USD 70 billion All Weather Fund suffered losses of -7 percent on the year. The fund employs a so-called risk-parity strategy that tries to consistently generate positive returns by leveraging bond investments to balance portfolios.

Since its inception in 1996, the Bridgewater all weather fund has navigated markets successfully with annualised net returns of 7.7 percent, however in recent years the fund has struggled. In 2013, the fund returned -4 percent net of fees. It rebounded in 2014 returning 8.6 percent only to fall back again in 2015.

It was not all negative numbers for Bridgewater in 2015 though. The asset managers huge flagship fund, Pure Alpha, returned 4.7 percent net of fees on the year, besting both the average hedge fund manager and the U.S. stock market.

Broader hedge fund indices also struggled throughout the year, HFRI Fund Weighted Composite Index declined by -0.85 percent in December, ending the year down -0.85 percent, according to a press release from the index data provider.

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