

Eurekahedge: Hedge Funds Up 2.29% in Q1 2017

Stockholm (HedgeNordic) The latest Index Flash Update from Eurekahedge is indicating a Q1 2017 performance of 2.29% for hedge funds, having gained 0.34% in the month of March. The latest Index Flash Update from Eurekahedge is indicating a Q1 2017 performance of 2.29% for hedge funds, having gained 0.34% in the month of March. Underlying markets gained 5.06% in Q1 as measured by the MSCI AC World Index (local), gaining 0.79% in March.

Notable developments during the month included growing investor scepticism over the Trump administration as the president and his allies in Congress failed to pass a proposed healthcare reform to replace Obama's Affordable Care Act. Market sentiment, which had hitherto been ebullient about Trump, therefore began to cool due to trepidation about Trump's ability to deliver on promised reforms in other sectors such as tax relief and infrastructure.

The U.S. Federal Reserve, for its part, delivered on market expectations by raising interest rates in March, though the pace of interest rate hikes remains largely static at an average of three rate hikes projected for the year. Meanwhile, the Eurozone inflation rate has risen, heightening expectations of monetary tightening from the European Central Bank, which could result in the Fed's and the ECB's monetary policies converging over the next year.

European hedge funds rose 0.73% (2.12% YTD) in March, followed by North American hedge funds, which were up 0.48% (2.10% YTD). Japanese funds retracted 0.74% (+1.15% YTD). Distressed debt hedge fund managers tumbled the furthest, down 1.21%, followed by CTA/managed futures and macro mandated hedge funds (-0.77% and -0.18% respectively). Emerging market mandates rose 0.60%, while frontier markets, as represented by the Eurekahedge Frontier Markets Hedge Fund Index, was up 1.50%.

Read the Eurekahedge Index Flash Update from April 11 [here](#).