

RPM Educational: "I'm in the band" - a CTA Sub Strategy Comparision

Stockholm (HedgeNordic) - In their latest educational paper, Swedish CTA multi-manager Risk & Portfolio Management RPM looks at the various CTA strategies, what they have in common and what may differentiate them. While, for instance, the CTA sub-index to the Nordic Hedge Index (NHX) does not differentiate among the various CTAs and strategies, the sector is a far more inhomogenous group of strategies than may initially meet the eye.

Key point: Although trend following is the dominating strategy in the CTA universe, there are also other sub-strategies with different characteristics. Whereas trend following is superior in trending markets and persistent crises; during non-trending periods and short-lived crises, trend following suffers more than so-called "diversifying strategies". Thus, combining different CTA sub-strategies can be advantageous from a portfolio perspective.

Read RPM's paper "I'm in the band" - a CTA Sub Strategy Comparision - [here](#)

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