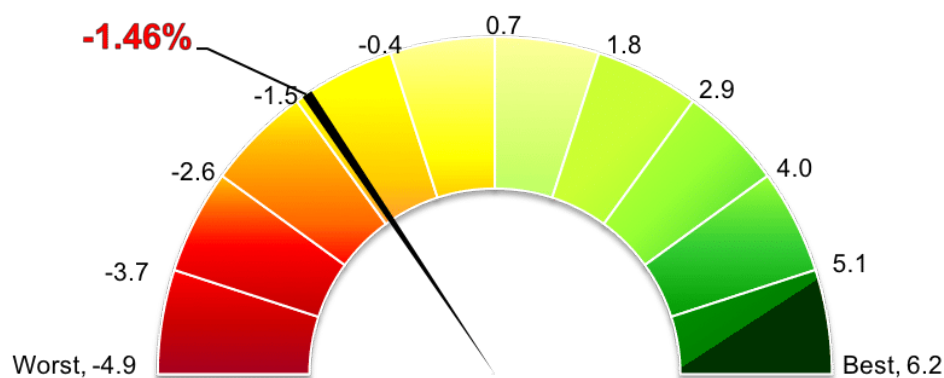


Nordic CTAs Stumble Again in Trendless Markets

Stockholm (HedgeNordic) - September was the second-worst month of the year for Nordic trend-following quantitative hedge funds, as measured by the NHX CTA, with the group losing 1.5 percent on average (86 percent reported). Financial markets did not offer exploitable trading opportunities for Nordic CTAs, which are down 2.8 percent year-to-date through September.

September Performance on Historical Speedometer



Speedometer: The September performance of the NHX CTA Index relative to its best and worst monthly performance since 2010. Source: HedgeNordic.

International CTA funds performed slightly better than the average Nordic CTA last month, as the Société Générale CTA Index, for instance, fell only 0.6 percent in September. The SG CTA Index, which reflects the performance of the largest 20 CTAs by assets, is down 3.5 percent year-to-date through the end of September. The Barclay BTOP50 Index, however, gained less than 0.1 percent last month, maintaining the year-to-date performance at a negative 2.6 percent. The Barclay index tracks the performance of the 20 largest investment CTA programs. The broader Barclay CTA Index, meanwhile, was down less than 0.1 percent in September, keeping year-to-date losses at 1.4 percent.

Only four members of the NHX CTA reported positive performance for September. Coeli Prognosis Machines, which employs a systematic global macro strategy with the use of artificial intelligence, gained 1.5 percent last month, recouping some of the losses incurred in the first quarter of the year. The fund overseen by Alex Gioulekas is down 8.2 percent so far this year.

Shepherd Energy Portfolio, a managed futures fund focusing on the Nordic power market, is currently enjoying its strongest trading year since launching in March 2004. The fund is up 0.8 percent in September and 13.9 percent year-to-date. Shepherd Energy Portfolio, which returned 36.3 percent in the past three years, is the best performing member of the NHX CTA in 2018.

Innolab Capital Index, another artificial intelligence-powered vehicle, and Nordea 1 - Heracles Long/Short MI Fund tumbled 4.3 percent and 4.2 percent, respectively. Runestone Capital Fund, which trades VIX-related volatility instruments, was down 3.7 percent last month.

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