

# HFs Running Value-Oriented and RV Strategies to Shine

Stockholm (HedgeNordic) – J.P. Morgan Asset Management has released a report presenting outlooks for all major alternative asset classes, including hedge funds. The inaugural Global Alternatives Outlook 2019 aims to guide investment decision-making in a year characterized by transition and change, as markets are adjusting to monetary tightening, equity markets are becoming more volatile, and uncertainties over trade wars and tariffs are lingering.

The report reflects the expectations of CEOs, CIOs, and strategists of J.P. Morgan Asset Management's alternatives platform, which offers access to a wide range of hedge fund, private equity, private credit, and real asset strategies. The outlook outlines three main findings for the hedge fund industry (read more details):

**"Volatility driving new opportunities."** Increased volatility in financial markets is anticipated to provide trading opportunities for certain hedge fund strategies, as the relationship between stocks, rates and credit spreads will evolve and affect correlations.

**"Value stocks set to rebound."** So-called value stocks are anticipated to rebound and benefit hedge fund vehicles offering exposure to the equity value factor should borrowing costs increase or earnings expectations for growth stocks decline.

**"Relative value strategies could shine."** Relative-value strategies are expected to stand out in an environment characterized by elevated volatility. Short-term statistical arbitrage is also likely to benefit from panicked and sloppy trading across markets.

J.P. Morgan Asset Management's complete Global Alternatives Outlook can be downloaded below:



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