

# Flash of Light for Galaxy

Stockholm (HedgeNordic) – CTA strategies are quite volatile, often undergo abrupt trend reversals and offer both upside and downside performance surprises quite frequently. One vehicle that stands out this month in the crowd of Nordic CTAs is **RPM Galaxy**, a CTA fund of funds that is getting closer to positive territory for the year after gaining 6.3 percent month-to-date through the end of Wednesday.

“Galaxy has performed well in October, which is encouraging in light of the weak performance earlier this year,” Mikael Stenbom (*pictured*), the CEO of Stockholm-based CTA specialist RPM Risk & Portfolio Management, tells HedgeNordic. RPM Galaxy advanced 6.3 percent month-to-date through October 28 to cut the year-to-date decline to about nine percent. According to Stenbom, “the profits are spread across many different markets, but the main contributors have been soybeans, which displayed a very strong bull trend recently, eurozone fixed income (mostly bonds from the long side), the U.S. dollar and a few emerging market currencies with the Mexican peso as the largest winner.”

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RPM Galaxy, one of the two vehicles under the umbrella of RPM Risk & Portfolio Management, is a CTA fund that invests in large and established CTA managers with at least \$500 million under management. Explaining what likely helped RPM Galaxy stand out in the CTA crowd this month, Stenbom tells HedgeNordic that “we believe Galaxy may differ a bit from most other trend-following funds in that Galaxy has got a larger exposure to commodities, which I think explains a large part of the outperformance in October.” Stenbom goes on to say that “the fund has also – in relative terms – avoided a lot of the whip-saw equity markets in October.”

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RPM’s other CTA vehicle, **RPM Evolving CTA Fund**, is flat to marginally negative for the year at 0.3 percent. The fund invests in a select group of young CTAs in their “Evolving Phase,” the most dynamic and competitive phase of their life-cycle. RPM Evolving CTA Fund gained 12.4 percent in the past 36 months through the end of September.