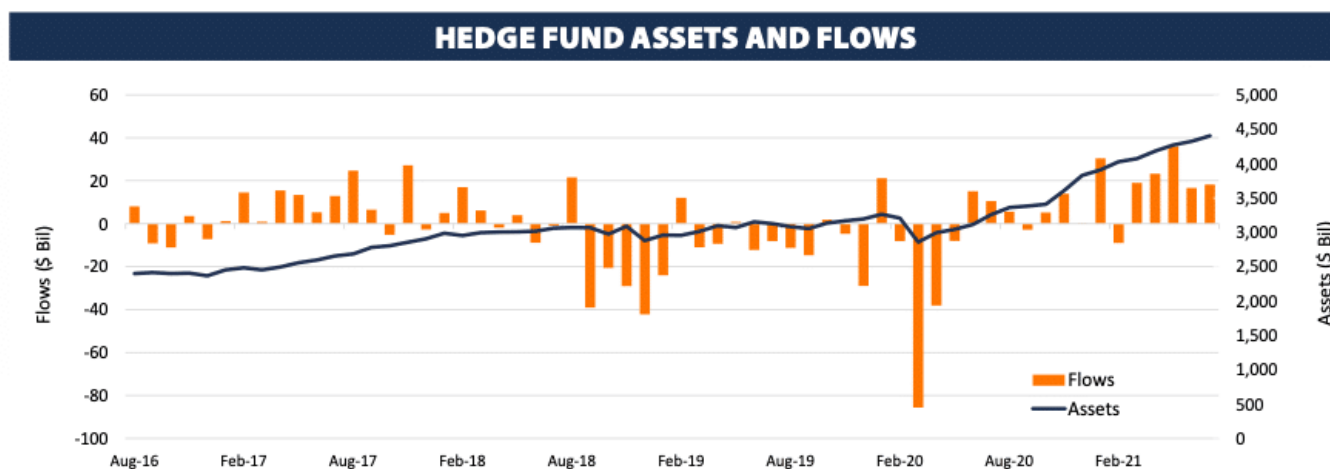


# There's Appetite for Hedge Funds

Stockholm (HedgeNordic) – Investors continued to pour money into hedge funds in July for a fifth consecutive month, according to data published by BarclayHedge. Investors injected a combined \$18.3 billion into the hedge fund industry in July and plowed more than \$116 billion into hedge funds in the first seven months of 2021 on top of the performance gains of almost \$174 billion. With \$18.3 billion in net inflows and an additional \$7.3 billion in performance gains for July, total hedge fund assets reached \$4.4 trillion as July ended, according to BarclayHedge.

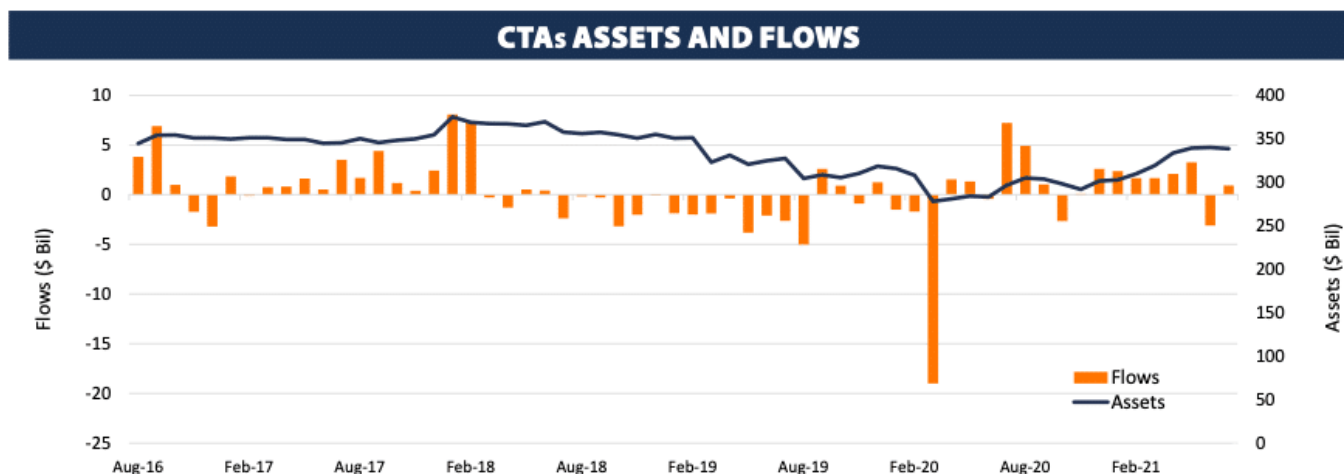
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"We have observed a marked shift in the risk appetite of hedge fund investors over the past twelve months, during which investors have in effect "doubled down" on their bets — letting their winnings ride while gradually increasing their exposure with additional targeted bets," says Ben Crawford, Head of Research at Backstop BarclayHedge. "The result has been a roughly 45% increase in global AUM for the industry in the last twelve months," he continues. "This figure is notable not only because it has pushed industry AUM to an all-time high, but because it has occurred in the wake of a roughly 18-month stagnation in which investors extracted profits from hedge funds practically as soon as they were generated."



Source: BarclayHedge. Assets under management (AUM) are calculated independently of flows and reflect new funds added to the database in July 2021. Hedge fund AUMs and flows as presented in this report do not include managed futures (CTA) AUMs and flows.

Most hedge fund sub-sectors, as defined by BarclayHedge, enjoyed inflows in July, with sector-specific funds leading the way by adding \$4.7 billion in new assets. Balanced funds brought in \$3.3 billion, fixed-income funds attracted \$2.4 billion in inflows and equity long-only and multi-strategy funds each netted \$2.3 billion in new investments. Sub-sectors shedding assets in July included equity long bias funds with \$1.0 billion in net redemptions, equity market-neutral funds with \$581 million in outflows, and event-driven funds with \$246 million in redemptions.



Source: BarclayHedge.

The managed future industry returned to inflows in July after June's net redemptions broke a seven-month inflow streak. CTAs attracted \$920.9 million in new assets in July, with the industry's performance gains of \$1.7 billion during the month bringing total managed futures industry assets to approximately \$338.6 billion. The CTA industry posted \$14.8 billion in inflows over the 12 months through the end of July. The \$19.8 billion in performance gains over the period brought total industry assets to the \$338.6 billion figure, up from \$296.7 billion a year earlier.