

Trend Following

Traditional trend followers typically use proprietary trading systems and establish long or short positions in various futures markets. They often use intermediate or long-term signals to put on trades.

Counter Trend

Short-term strategy that looks to take contrarian positions in markets seeking mean reversion. Not opposite of trend following, just a very tight time frame.

Global Macro

Otherwise known as relative strength models; they seek out areas of the market that are outperforming and invest heavily in those exhibiting the most positive momentum.

Managed Futures

Managed futures strategies seek directional market trends, relying on quantitative signals to identify when different asset classes are poised to rise or fall. The strategies use futures contracts to take long positions when signals indicate an asset class will rise, and short positions when signals indicate the asset class will fall. A managed futures strategy can take advantage of directional trends in nearly any asset type, inclusive of fixed income, currency, equity and commodities markets. The strategy's ability to track different assets and take advantage of both rising and falling markets has led to a substantially different return profile from most other asset classes. That uniqueness has its benefits.

Different managed futures strategies have different aims. Some trend following strategies seek to exploit longer-term market trends. Other strategies, such as counter-trend strategies, seek short-term trends to capitalize on volatile markets with a lot of back-and-forth price movements.

