

Alternatives: Returns Over Different Time Periods

Long-Term Risk-Adjusted Returns

Returns for a 60/40 portfolio, and the S&P 500 Index, have been impressive over the most recent 10-year period, while alternatives have lagged. However, if you look at longer market cycles you see that alternative strategies have provided positive risk-adjusted returns over multiple market environments.

Asset Class	Long-Term Return 01/00 - 12/19		Post Financial Crisis 03/09 - 12/19		Pre Financial Crisis 01/00 - 02/09	
	Return	Standard Deviation	Return	Standard Deviation	Return	Standard Deviation
Arbitrage	6.77%	3.13%	6.14%	2.60%	7.52%	3.65%
CTA/Managed Futures	8.49%	6.48%	3.88%	4.72%	14.20%	7.83%
Fixed Income Hedge	7.55%	3.41%	7.69%	3.04%	7.39%	3.82%
Long/Short Equity	8.22%	6.96%	7.66%	6.19%	8.90%	7.80%
Macro	7.62%	3.84%	4.65%	2.91%	11.25%	4.53%
Market Neutral	3.33%	2.73%	2.48%	2.27%	4.34%	3.18%
Multi-Strategy	8.72%	4.32%	6.48%	3.86%	11.42%	4.72%
Average (of alts categories above)	7.28%	3.42%	5.59%	2.98%	9.33%	3.81%
S&P 500 Index	6.06%	14.51%	17.07%	12.82%	-5.63%	15.70%
Barclays U.S. Aggregate Bond Index	5.03%	3.40%	4.13%	2.90%	6.11%	3.90%
60% S&P 500 Index 40% Agg. Bond Index	5.94%	8.67%	11.96%	7.63%	-0.75%	9.47%

Eurekahedge Arbitrage Hedge Fund Index (Bloomberg Ticker - EHF1285) is an equally weighted index of 83 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers who invest with an arbitrage strategy.

Eurekahedge CTA/Managed Futures Hedge Fund Index (Bloomberg Ticker - EHF1286) is an equally weighted index of 364 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers who invest with a CTA/managed futures strategy.

Eurekahedge Fixed Income Hedge Fund Index (Bloomberg Ticker - EHF1289) is an equally weighted index of 320 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers who invest with a fixed income strategy.

Eurekahedge Long Short Equities Hedge Fund Index (Bloomberg Ticker - EHF1252) is an equally weighted index of 944 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers.

Eurekahedge Macro Hedge Fund Index (Bloomberg Ticker - EHF1253) is an equally weighted index of 188 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers who invest with a macro strategy.

Eurekahedge Equity Market Neutral Hedge Fund Index (Bloomberg Ticker - EHF1751) is an equally weighted index of 58 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers who invest with an equity market neutral strategy.

Eurekahedge Multi-Strategy Hedge Fund Index (Bloomberg Ticker - EHF1254) is an equally weighted index of 254 constituent funds. The index is designed to provide a broad measure of the performance of underlying hedge fund managers who invest with a multi-strategy strategy.

