



## FOR IMMEDIATE RELEASE

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## HFRI SURGE ACCELERATES INTO 4Q WITH SEPTEMBER GAINS LED BY MACRO, TREND FOLLOWING

***HFRI Macro jumps +3.4 percent, strongest month since March 2022;  
Quantitative, trend-following CTAs surge +4.5 percent in September***

CHICAGO, (October 7, 2025) – Hedge fund performance accelerated in September for the fifth consecutive month led by Macro and quantitative trend following CTA strategies, as the US Federal Reserve lowered interest rates, and as M&A activity, including strategic corporate investment partnerships focusing on AI investment, continued to accelerate.

***The HFRI Fund Weighted Composite Index® (FWC) advanced an estimated +2.4 percent in September, while the HFRI Asset Weighted Composite Index jumped +2.7 percent for the month***, as reported today by HFR®, the established global leader in the indexation, analysis and research of the global hedge fund industry. The September gain for the HFRI FWC increased 3Q25 performance to +5.7 percent, making it the strongest quarterly return since 1Q2021.

Driven by falling interest rates and commodity gains, the HFRI Macro (Total) Index led strategy performance in September, jumping an estimated +3.4 percent for the month, propelled by the HFRI Macro: Systematic Diversified Index, which surged +4.5 percent.

The HFR Cryptocurrency Index vaulted +6.7 percent in September while the HFRI Multi-Manager/Pod Shop Index added +1.1 percent, with positive contributions from all main strategy exposures.

Hedge fund performance dispersion expanded in September, as the top decile of the HFRI FWC constituents advanced by an average of +12.2 percent, while the bottom decile fell by an average of -3.2 percent, representing a top/bottom dispersion of 15.4 percent for the month. By comparison, the

top/bottom performance dispersion in August was 12.9 percent. In the trailing 12 months ending September 2025, the top decile of FWC constituents gained +52.3 percent, while the bottom decile declined -14.9 percent, representing a top/bottom dispersion of 67.2 percent. Nearly eighty percent of hedge funds produced positive performance in September.

Uncorrelated Macro performance saw the strongest monthly gains since March 2022, while the quantitative CTA strategies posted the strongest gain since February 2024. Quantitative, trend-following, systematic Macro gains were broad across asset classes in September, led by commodities, metals and interest rates. Fundamental Commodity Macro also gained for the month with the HFRI Macro: Commodity Index advancing +3.0 percent in September, the strongest month gains December 2024.

Equity Hedge (EH) funds, which invest long and short across specialized sub-strategies, jumped +2.6 percent in September, driven by gains in Healthcare, Energy, and Multi-Strategy sub-strategies. The HFRI EH: Healthcare Index surged +6.9 percent for the month, the HFRI EH: Energy/Basic Materials Index advanced +6.4 percent, and the HFRI EH: Multi-Strategy Index added +4.7 percent. Through the first three quarters of the year, the HFRI EH (Total) Index leads all strategy performance with a YTD return of +13.6 percent.

Fixed income-based, interest rate-sensitive strategies also advanced in September, as bond yields declined and investors positioned for additional interest rates cuts in 2H25, with the HFRI Relative Value (Total) Index returning an estimated +1.3 percent for the month. Relative Value performance was again led by the HFRI RV: FI-Sovereign and HFRI RV: FI-Convertible Arbitrage indices, which gained +2.72 and +2.65 percent, respectively, for the month.

Event-Driven (ED) strategies, which often focus on out-of-favor, deep value equity exposures and speculation on M&A situations, also advanced in September on M&A activity, as well as record level investments in AI and corporate technology. The HFRI Event-Driven (Total) Index added an estimated +1.2 percent for the month, increasing its five-month surge to +9.85 percent since mid-2Q. ED sub-strategy performance in September was led by the HFRI ED: Multi-Strategy Index and HFRI ED: Distressed/Restructuring Index, which jumped +2.4 and +2.3 percent, respectively, for the month.

Liquid Alternative UCITS strategies also advanced in September, as the HFRX Market Directional Index gained +2.6 percent, while the HFRX Global Hedge Fund Index added +1.5 percent for the month. HFRX strategy performance was led by the HFRX Macro/CTA Index, which jumped +3.5 percent in September, with strong contributions from the HFRX Macro: Systematic Diversified/CTA Index, which vaulted +4.7 percent.

“Hedge funds posted a record surge in the third quarter, accelerating strong gains led by Systematic Macro and Equity strategies, with powerful risk on sentiment driven by lower interest rates, falling geopolitical risk, record equity levels, acceleration of M&A, and unprecedented strategic

investment in AI development, capabilities and infrastructure," stated Kenneth J. Heinz, President of HFR. "Recent record performance gains on top of the record levels of global institutional capital invested in hedge funds [[see 2Q press release](#)] has continued driving strong portfolio performance for an increasing range of institutional investors, including pension and sovereign wealth funds, family offices, as well as retail and individual investors. These record gains across the broad range of hedge fund strategies have contributed strongly to investor portfolio performance through the current risk on cycle but are also likely to reduce downside risk and volatility, with these also expected to drive record industry capital growth through year-end and into 2026."

*NOTE: September 2025 index performance figures are estimated as of October 7, 2025*

## **HFR Indices are ESMA registered**

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