



## FOR IMMEDIATE RELEASE

### Contacts:

#### HFR

Kenneth Heinz

Chicago/312.658.0955

[info@hfr.com](mailto:info@hfr.com) @HFRInc

@KennethJHeinz

#### Craft & Capital

Chris Sullivan

New York/917.902.0617

[chris@craftandcapital.com](mailto:chris@craftandcapital.com)

#### Hydra Strategy

Henrietta Hirst

London/+44 (0) 7880 742 375

[Henrietta.hirst@hydrastrategy.co.uk](mailto:Henrietta.hirst@hydrastrategy.co.uk)

## MACRO HEDGE FUNDS SURGE ACCELERATES IN FEBRUARY AS GEOPOLITICAL RISKS RISE

*Volatility spikes as military conflict begins just as February ends;*

*HFRI led by trend-following Energy and Commodity strategies;*

*Healthcare index gains driven by structural change and technology innovation in the sector*

CHICAGO, (March 6, 2026) – Hedge fund performance gains accelerated through February, again driven by Macro and Equity Hedge funds, as complex risks evolved throughout the month. Extending the trend from 4Q25 and January, hedge funds successfully navigated heightened risk-on and risk-off volatility in February, driven by weakness in legacy technology and software companies threatened by AI, weakness in the private credit sector, and surging geopolitical risk in the buildup to the military conflict in Iran, which began on February 28.

*The HFRI Fund Weighted Composite Index® (FWC) advanced +1.9 percent in February, the tenth consecutive month of performance gains*, again led by trend-following and commodity Macro funds, as well as energy and healthcare Equity Hedge funds, as reported today by HFR®, the established global leader in the indexation, analysis and research of the global hedge fund industry.

“Financial market risk sentiment oscillated between risk on and off throughout February, before ending the month on a strong risk off trend that accelerated into early March. Hedge funds posted strong, positive (negatively correlated) performance in February, led by Macro and Equity Hedge funds as volatility increased throughout the month driven by AI-related equity market weakness, pressure in private credit portfolios, and rising tensions across commodity and equity markets in the late month military buildup leading into the Iran military conflict,” stated Kenneth J. Heinz, President of HFR.

“Geopolitical risk has surged to a historic level and hedge funds are actively navigating an unprecedented spike in financial market volatility and dramatic dislocations through the first week of March, which may not only continue but accelerate based on the developments and evolution of the military conflict in Iran. With volatility and risk likely to continue in coming weeks, investors interested in opportunistic, defensive exposure to these powerful trends are likely to allocate to hedge fund managers which have demonstrated strong performance through high risk and high volatility trading environments.”

Driven by commodity, trend-following, and equities exposures, the HFRI Macro (Total) Index advanced +3.0 percent in February, following a January gain of +4.15 percent which was the strongest monthly return for the index since May 2003. The February gain extends its positive performance streak to nine months, an index increase of +17.9 percent over that period. Macro sub-strategy performance was led by the HFRI Macro: Commodity Index, which climbed +4.1 percent in February, and the HFRI Macro: Systematic Diversified Index, which added +3.7 percent for the month. The HFRI Macro (Asset Weighted) Index added +1.4 percent in February, while the HFR Cryptocurrency Index fell -10.6 percent for the month, its largest decline since February 2025.

Equity Hedge (EH) funds, which invest long and short across specialized sub-strategies, also posted strong gains in February, once again navigating intense intra-month volatility and rapidly shifting risk sentiment. The HFRI Equity Hedge (Total) Index advanced +2.35 percent in February, driven by a range of energy, healthcare and fundamental exposures. EH sub-strategy performance was led by the HFRI EH: Energy/Basic Materials Index, which surged +4.6 percent for the month, while the HFRI EH: Healthcare Index jumped +3.7 percent. The HFRI EH: Fundamental Growth Index also posted strong February performance, gaining +3.2 percent, while the HFRI EH: Fundamental Value Index added +2.1 percent for the month.

Fixed income-based, interest rate-sensitive strategies advanced in February as interest rates declined. The HFRI Relative Value (Total) Index returned +0.7 percent for the month, led by the HFRI RV: Yield Alternatives Index, which gained +2.1 percent, while the HFRI RV: Volatility Index added +1.2 percent.

Event-Driven (ED) strategies also advanced in February, driven by expectations for strong M&A and IPO environments in 2026, and despite weakness in private credit strategies. The HFRI Event-Driven (Total) Index gained +0.3 percent for the month, led by the HFRI ED: Distressed Index, which returned +1.9 percent, and the HFRI ED: Special Situations Index, which added +0.9 percent.

Liquid Alternative UCITS strategies also posted gains in February, as the HFRX Global Index advanced +0.44 percent, while the HFRX Market Directional Index added +0.2 percent for the month. HFRX main strategy performance was led by the HFRX Macro/CTA Index, which gained +1.4 percent, driven by the sub-strategy HFRX Macro: Systematic Diversified CTA Index, which advanced +2.1

percent for the month. However, through the first few days of March, the HFRX Global Index declined as volatility surged, driven by escalation of the military conflict in Iran, with the Index falling -1.2 percent MTD through March 4 (most recent data available at time of publication), while the HFRX Absolute Return Index declined -0.4 percent over the same period. The HFRX Macro Index declined -2.26 percent MTD, while the HFRX Relative Value Index fell -0.38 percent MTD, both MTD through March 4.

Hedge fund performance dispersion contracted in February, as the top decile of the HFRI FWC constituents advanced by an average of +10.0 percent, while the bottom decile of constituents fell by an average of -4.7 percent, representing a top/bottom dispersion of 14.7 percent for the month. By comparison, the top/bottom performance dispersion in January was 18.2 percent. For the trailing 12 months ending February 2026, the top decile of FWC constituents gained +109.5 percent, while the bottom decile declined -9.5 percent, representing a top/bottom dispersion of 119.0 percent. Approximately 75% of hedge funds produced positive performance in February.

*NOTE: February 2026 index performance figures are estimated as of March 6, 2026*

## **HFR Indices are ESMA registered**

### ***For more information from HFR:***

Visit [www.HFR.com](http://www.HFR.com)

Follow HFR on Weibo: @HFRAsia

✕ Follow HFR on X: @HFRInc

✕ Follow Ken Heinz on X: @KennethJHeinz

### **About HFR®**

HFR is the global leader in the alternative investment industry, specializing in the indexation and analysis of hedge funds. Established in 1992, HFR produces the HFRI, HFRX and HFRU Indices, the industry's most widely used benchmarks of global hedge fund performance. HFR calculates over 500 indices of hedge fund performance ranging from industry-aggregate levels down to specific, niche areas of sub-strategy and regional investment focus. HFR Database, a comprehensive resource available for hedge fund investors, includes fund-level detail on historical performance and assets, as well as firm characteristics on both the broadest and most influential hedge fund managers. HFR has developed a detailed fund classification system, enabling granular and specific queries for relative performance measurement, peer group analysis and benchmarking. The HFR suite of analysis products leverages HFR Database to provide detailed, current, comprehensive, and relevant aggregate reference points on all facets of the hedge fund industry. HFR also offers consulting services for clients seeking customized top-level or more sophisticated analysis. For the hedge fund industry's leading investors and hedge fund managers, **HFR is The Institutional Standard.**

###