HFR

FOR IMMEDIATE RELEASE

Contacts:

HFR
Kenneth Heinz
Chicago/312.658.0955
info@hfr.com @HFRInc
@KennethJHeinz

Craft & Capital
Chris Sullivan
New York/917.902.0617
chris@craftandcapital.com

Hydra Strategy
Henrietta Hirst
London/+44 (0) 7880 742 375
Henrietta.hirst@hydrastrategy.co.uk

HFRI EXTENDS SURGE IN MAY ON TECHNOLOGY AND AI OPTIMISM

Equity Hedge and Event Driven lead strategy performance; HFRI Healthcare, Commodity Indices post declines

CHICAGO, (June 5, 2026) – Hedge funds extended their recent historic performance surge in May, driven by strong gains in Technology equities and AI exposures coupled with a sharp decline in oil prices, as managers also positioned for an expected record IPO cycle in the coming months.

The HFRI Fund Weighted Composite Index® (FWC) advanced +1.6 percent in May, led by Equity Hedge and Event Driven funds, as reported today by HFR®, the established global leader in the indexation, analysis and research of the global hedge fund industry.

"2026 has been the extreme opposite of a passive beta equity index exposure market cycle" said Kenneth J. Heinz, President of HFR. "Since the beginning of the year, hedge funds have successfully navigated a succession of intense market dislocations and reversals in equities and commodities, including in the much-vaunted technology sector. Geopolitical uncertainty and global volatility continue driving headlines, presenting dynamic trading opportunities for specialized, experienced and savvy active managers."

The HFRI Equity Hedge (Total) Index surged +2.7 percent in May to lead strategy performance, driven by the HFRI EH: Technology Index, which soared +10.6 percent for the month, building on April's gain of +10.5 percent; the Tech Index's two-month return of +22.3 percent is the highest such period since index inception (Jan2008). The HFRI EH: Quantitative Directional Index and HFRI EH: Fundamental Growth Index also added to the strong May EH performance, gaining +4.0 and +3.75 percent, respectively, while the HFRI EH: Healthcare Index declined -2.0 percent.

Event-Driven (ED) strategies responded positively to optimism for a healthy M&A and IPO environment in the months ahead, as the HFRI Event-Driven (Total) Index climbed +2.1 percent for the month, led by the HFRI ED: Activist Index (+4.8 percent) and the HFRI ED: Special Situations Index (+2.6 percent). Complementing these, the HFRI ED: Distressed/Restructuring Index added +2.0 percent in May.

Fixed income-based, interest rate-sensitive strategies benefited from increased clarity regarding the leadership at the US Federal Reserve, as the HFRI Relative Value (Total) Index added +0.6 percent for the month despite an increase in interest rates. RVA sub-strategy performance was led by the HFRI Fixed Income: Corporate Index and HFRI RV: Multi-Strategy Index, both of which advanced +0.9 percent, as well as the HFRI RV: FI-Asset Backed and HFRI RV: FI-Convertible Arbitrage indices, both of which added +0.8 percent in May.

Once again navigating extreme volatility and a sharp decline in oil prices, the HFRI Macro (Total) Index ended the month up slightly, gaining +0.2 percent. Macro sub-strategy performance was led by the HFRI Macro: Active Trading Index, which advanced +1.7 percent, and the HFRI Macro: Discretionary Thematic Index, which added +1.2 percent in May. Offsetting these gains, the HFRI Macro: Commodity Index declined -1.1 percent and the HFRI Macro: Systematic Diversified/CTA Index fell -0.5 percent for the month. The HFR Cryptocurrency Index declined slightly in May, falling -0.3 percent, while the HFRI Multi-Manager/Pod Shop Index added +1.5 percent for the month.

HFR LAUNCHES TENDER OFFER FUNDS INDICES

HFR is pleased to announce the launch of Tender Offer Indices, which track total performance returns of equal- and asset-weighted basket of Tender Offer funds on a daily basis. The HFR Tender Offer Funds Asset Weighted Index posted a gain of +1.0 percent in May 2026, increasing its YTD return to +2.9 percent. To learn more about the HFR Tender Offer Funds Indices, visit HFR.com.

Liquid Alternative UCITS strategies advanced in May with the HFRX Market Directional Index surging +5.0 percent, while the HFRX Global Index rose +1.7 percent. HFRX main strategy performance was led by the HFRX Equity Hedge Index, which advanced +2.9 percent in May with strong contributions from the HFRX EH: Fundamental Growth Index, which surged +5.4 percent for the month.

Hedge fund performance dispersion contracted in May, as the top decile of the HFRI FWC constituents advanced by an average of +13.2 percent, while the bottom decile of constituents fell by an average of -5.8 percent, representing a top/bottom dispersion of 19.0 percent for the month. By comparison, the top/bottom performance dispersion in April was 22.2 percent. For the trailing 12 months ending May 2026, the top decile of FWC constituents gained +92.4 percent, while the bottom decile declined -9.0 percent, representing a top/bottom dispersion of 101.4 percent. Approximately 70% of hedge funds produced positive performance in May.

NOTE: May 2026 index performance figures are estimated as of June 5, 2026

HFR Indices are ESMA registered

For more information from HFR:

*Visit **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.**

# # #