For Immediate Release

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Wilshire Liquid Alternative Index℠ Returns -0.94% in February

Santa Monica, Calif., March 14, 2022 - The Wilshire Liquid Alternative Index℠, which provides a representative baseline for how the broad liquid alternative investment category performs, returned -0.94% in February, underperforming a -0.36% monthly return for the HFRX Global Hedge Fund Index. The Wilshire Liquid Alternative Index family aims to deliver precise market measures for the performance of diversified liquid alternative investment strategies implemented through mutual fund structures, backed by a proprietary classification methodology.

Equity markets continued to struggle as attention shifted from an overly hawkish Fed to geopolitical conflict surrounding Russia's invasion of Ukraine, creating further inflationary pressures and increased uncertainty.

The Wilshire Liquid Alternative Equity Hedge Index℠ ended the month down -1.57%, underperforming the HFRX Equity Hedge Index's return of 0.34%.

- Equity hedge managers were down for the month on the back of broad-based equity market declines. Long-biased managers, especially those with exposure to large-cap names and or technology, suffered the largest drawdowns.

The Wilshire Liquid Alternatives Event Driven Index℠ ended the month up 0.02%, outperforming the HFRX Event Driven Index's monthly return of -0.20%.

- Event driven managers experienced positive but muted returns despite general risk-off appetite seeping into the M&A space. Merger arbitrage managers performed well while their special situations counterparts struggled as investors became warry of the of the Russia/Ukraine conflict.

The Wilshire Liquid Alternative Multi-Strategy Index℠, which includes both single and multi-manager funds, returned -2.26% in February.

The Wilshire Liquid Alternative Global Macro Index℠ ended the month up 1.52%, outperforming the HFRX Macro/CTA Index's monthly return of -0.42%.

- Macro managers continued to benefit from surging commodity prices led by oil, aluminum, silver, lumber and wheat. US dollar strength remained stable relative to most foreign currencies with the exception of the Ruble. Trend followers and discretionary macro managers also benefitted from pro-inflation positioning throughout the month as we saw declines in both equities and fixed income.

The Wilshire Liquid Alternative Relative Value Index[SM] ended the month down -2.01%, underperforming the HFRX Relative Value Arbitrage Index's monthly return of -1.32%.

- Credit strategies struggled as risk-off appetite resulted in weakness throughout the month. New issuance was sparse, spreads widened, and yields began to tick up resulting in a difficult environment for credit managers to navigate.

About Wilshire

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