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John Locke smart equity fund up 22% YTD

Paris firm's CTA flagship almost flat for year after July rebound

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Paris-based [John Locke Investments](#)' smart equity fund is up almost 22% year-to-date, outperforming its longer-standing CTA and market-neutral products.

The long-only hedge fund, which started trading in 2016, focuses on European stocks and invests in the UK through equity swaps.

It is up an estimated 21.8% this year through 13 August, according to its website.

"We overweighted the small-caps, momentum, value and the beta factors in which we managed to capture a good return compared to our peers," business development director Benoit Quernin told HFM.

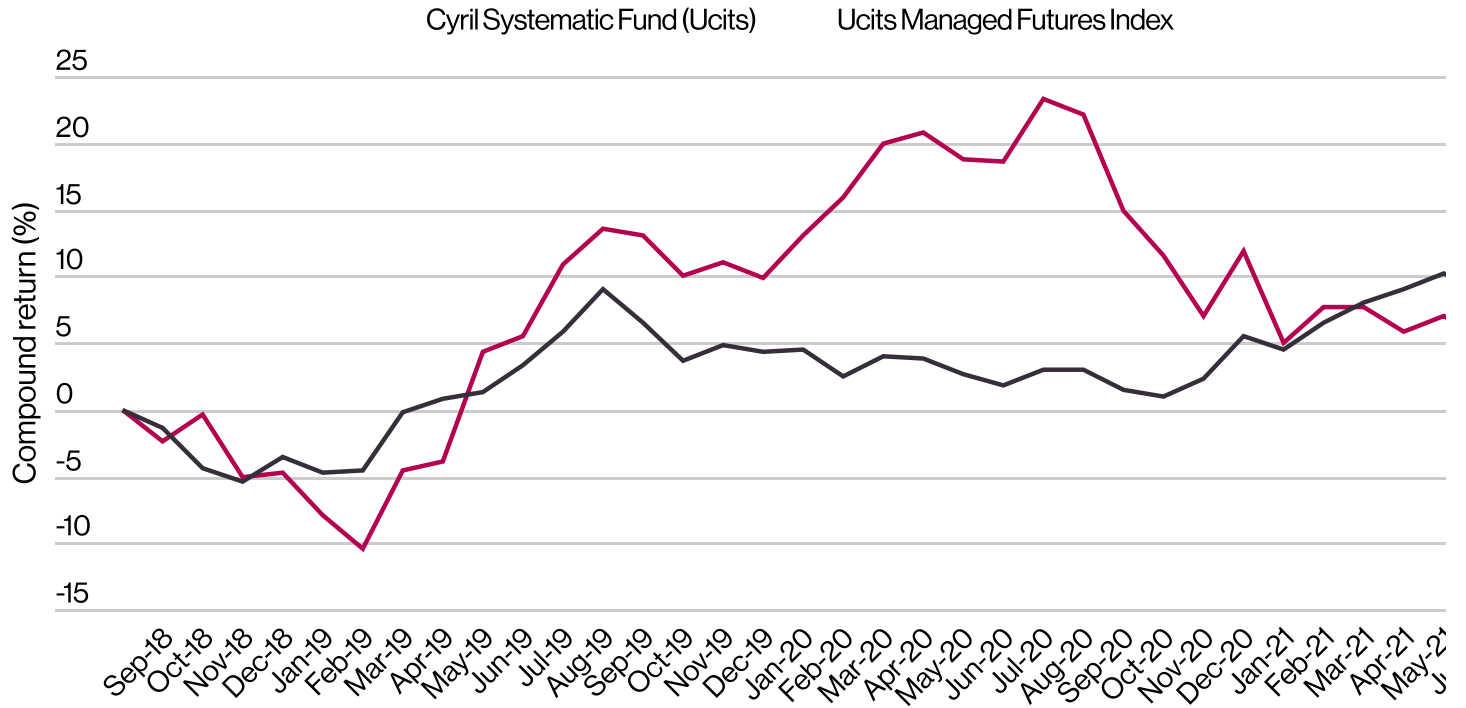
[Cyril Systematic](#), the firm's \$60m flagship strategy, a short-term CTA, made 6% in July and is down 0.3% for the first seven months of 2021 (in its Ucits class).

Trading for more than two decades, it is a CTA fund investing in liquid financial futures across stocks, rates and currencies internationally.

"We succeeded in capturing stock markets trends in the dollar. Going long on bonds was also a good bet," Quernin explained. Bond trading in Europe and the US contributed to the flagship's high returns, according to John Locke's investor update.

"Despite a difficult start to the year for the fund, we remain optimistic about the strategy's prospects in the emerging post-pandemic environment," the French manager wrote in its investor letter.

John Locke's Cyril Systematic: 3-year performance



Source: HFM

Going forward, Cyril is positioned long on US, European and Asian bonds (and short on rates). It is long on all equity markets except the Hang Seng in Hong Kong.

John Locke's investor base comprises institutional investors, family offices, private banks, and fund of funds across Europe and the US.

Its market-neutral strategy is up 4.2% for the year after a 1.6% decline in July.

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