



## Corona Fighters - Report 32: Asset managers who delivered during the meltdown



B. G., Opalesque Geneva:

Amid the current market turmoil, this is our regular report on hedge fund and alternative asset managers who are bucking the trend.

### AI for low correlation

The **Tungsten TRYCON AI Global Markets**, one of the oldest AI-based UCITS around, is up almost +3% YTD after returning +3.25% in Q1-2020 and -0.2% in April. The fund has returned 13% since the AI strategy's September 2013 inception.

Tungsten Capital will participate in the upcoming webinar: [The Corona Fighters, Episode 3](#) on 23rd June. Details below.

The fund pursues a systematic multi-asset long/short strategy. It uses quantitative models (the QuantMatrix models) based on artificial intelligence (AI) to identify trading opportunities in the financial markets. Periodic re-learning leads to regular updates of the models.

The investment universe comprises some 60 global equity, bond, interest rate and currency markets. In these markets, the fund can take both long and short positions. The portfolio is dynamically adjusted to changing market conditions in accordance with a strict risk management. The strategy is characterized by low correlation with traditional and alternative investments.

"During the Corona sell-off, the strategy positioned itself on the short side of both European and US stock indices at an early stage and was thus able to achieve significant gains there," says a monthly commentary reviewed by *Opalesque*. "In government bonds, the strategy was able to anticipate the volatile swings in the US quite well, but these gains were to a large degree offset by losses in European bond futures, resulting in only moderate net gains in the sector."

For the year, as of the end of April, two of the three AI model families have contributed positively, making money in both equity indices as well as bonds, where the overall result from the FX markets traded was negative.

The fund is managed by Michael Gunther and Pablo Hess, who both have been involved with the application of AI in financial markets since 2000 and are pioneers in this field in Europe. [Tungsten Capital Management](#) GmbH is based in Frankfurt, Germany, and was founded in 2006.

**Last issue of The Corona Fighters Report: [Report 31](#).**

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