EduMarkets
Hedge Fund Simulation

Learn portfolio management *by managing the book.*

EduMarkets Hedge Fund Simulation is a trainer-led portfolio simulation. Participants run a book individually or in teams. The simulation runs fully online, so there is nothing to install.

Take the portfolio manager's seat

Each participant runs their own book. They trade the same instruments, have the same Alpha return objectives and have the same risk constraints that real hedge funds use. Participants can go long or short, trade relative and exploit market inefficiencies.

The markets continuously move on the news that comes in during the session. Participants pay financing and carry on the positions they hold overnight.

The profit and loss of a book is split into the part that comes from the market direction (Beta) and the part that comes from the position selection (Alpha).

Available markets

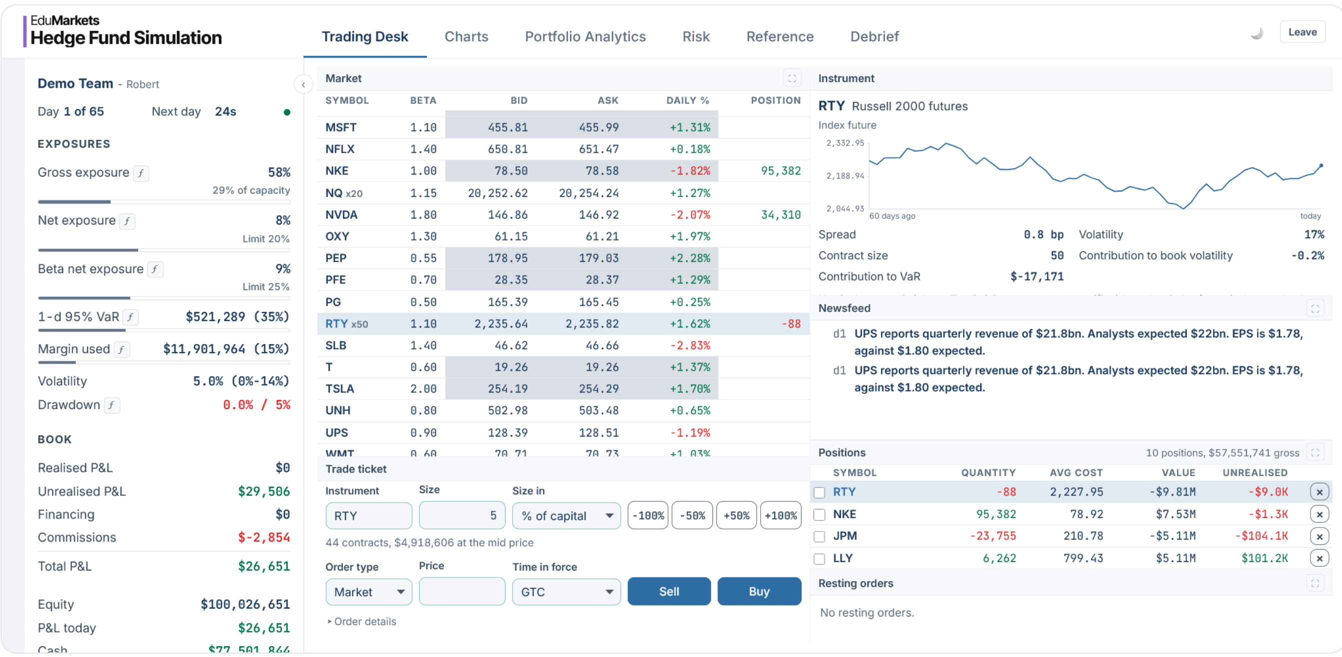
01 **US Long/Short Equity**

02 **International Long/Short Equity**

03 **Global Macro (Index Futures, Bond Futures, Commodity Futures & FX)**

04 **Rates (Treasuries & Interest Rate Swaps)**

05 **Credit (Cash Bonds & Credit Default Swaps)**

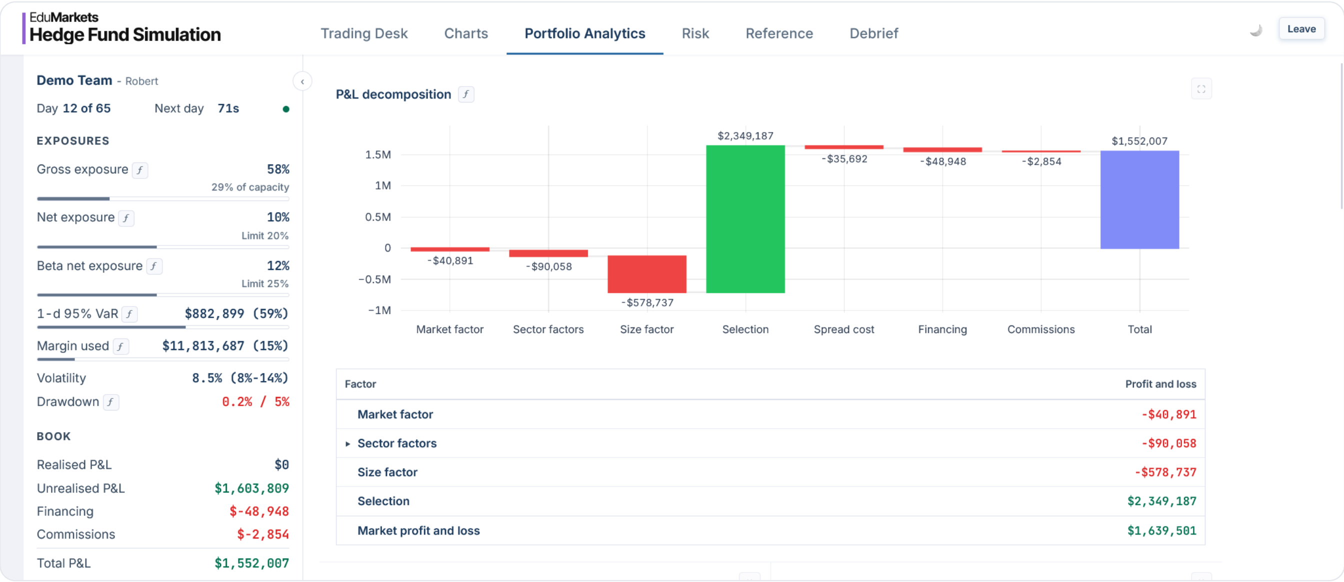


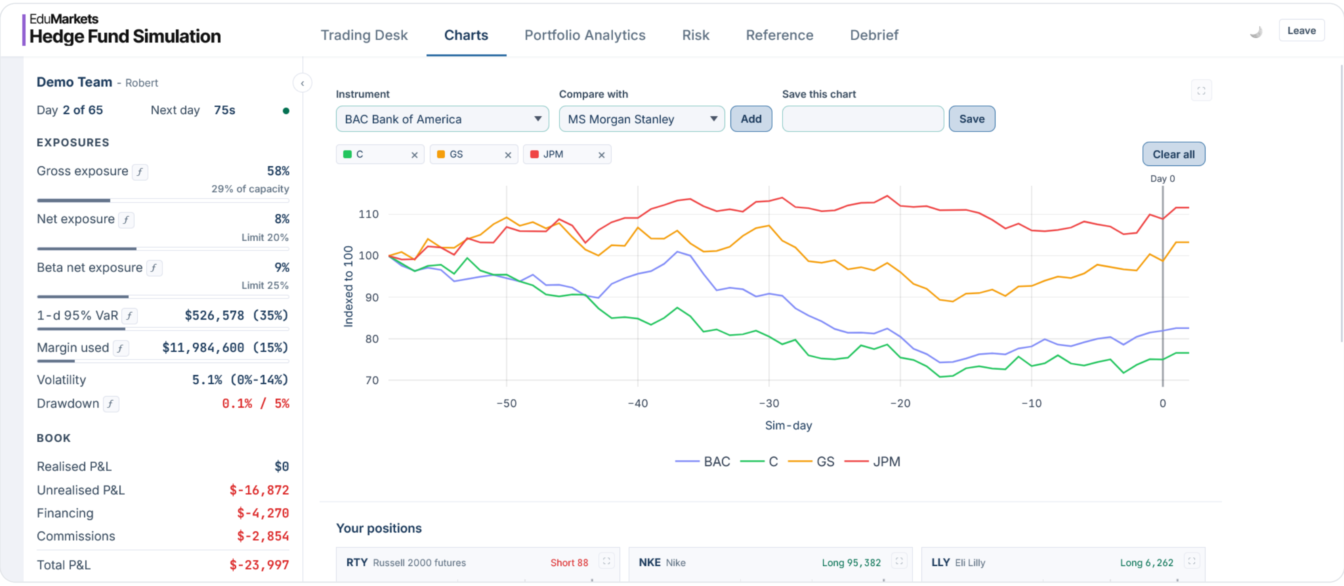
The markets and the news

Each market is modelled on the instruments and the conventions that market uses in practice. The news flow is written for the market being traded, so a credit session reads like the credit market and a rates session like the rates market. All market data is synthetic but realistic. No client data and no real market data is used.

Simulated trading days

One simulation session consists of a number of trading days. Each simulated trading day lasts approximately two minutes in real time. Participants can open and close positions continuously. The trainer can accelerate or slow the pace of the session according to the level of the participants. Over the course of a training programme the simulation can be run for several sessions, either the same mandate under different market conditions and at a higher difficulty level, or a different mandate.





What sets EduMarkets apart

The full multi-manager pod shop universe

The simulation covers five mandates: US long/short equity, international long/short equity, global macro, rates and credit. Together these span the strategies a multi-manager pod shop runs, so a programme can place participants in the seat of any pod within the firm. All five mandates are traded on the same screens, so a participant who has run one mandate requires no further introduction to run the next.

A new market path for every session

Each session is generated from scratch rather than drawn from a fixed set of scenarios, with its own prices, its own events and its own news flow. A group can therefore trade the same mandate a second time without repeating the exercise.

Trainer control over the session

The trainer sets the mandate and the risk limits before a session opens and can revise a limit while the session is running. The volatility of the market, the frequency of the news flow and the events that occur are equally under the trainer's control, both in advance and during the session. Every book can be followed live, and the debrief is conducted on the record of the session itself.

Risk limits and scoring

The risk limits in a mandate are enforced during the session. When a book exceeds a limit, the risk team reduces the position at the prevailing market price, and the participant bears the spread and the commission on those trades. Persistently running well below the risk budget is penalised as well. The score measures the return of a book against the risk taken to achieve it, so a substantial profit earned on an oversized position does not typically win a session.

Request a live demonstration

We will run a live session with you and demonstrate each of the five mandates.

Get in touch →

info@edu-markets.com
hfsim.edu-markets.com