

PRESS RELEASE

Quoniam launches innovative fund with global data sentiment strategy

Frankfurt am Main, 28 October 2024 – Quoniam Asset Management, a German pioneer in quantitative investment, systematically and scientifically evaluates the sentiment in more than 1 million news articles available daily using its own AI algorithms to manage the Global Data Sentiment strategy. The strategy has been launched by Union Investment as a sub-fund of Quoniam Funds Selection SICAV.

Electronically available news articles offer the unique opportunity to recognise changes in sentiment on the capital markets at an early stage and react to them before they are reflected in prices. Quoniam is one of the first asset managers to offer professional investors a strategy based purely on so-called "unstructured data". In this context, alternative or unstructured data refers to news and other publications that cannot be categorised as traditional macroeconomic indicators, key figures and surveys. Using proprietary machine learning methods, Quoniam analyses immense volumes of news in a fully automated process to capture sentiment in over 30 markets for equities, bonds and currencies and derive trading signals from this. This pool of data can thus be utilised as a source of returns and is used by Quoniam in a systematic global macro strategy. The highlight: the model gains insights faster and therefore ahead of the markets.

"Due to the large amounts of data, it is challenging to filter out the news articles that really move the capital markets. Modern methods and technologies are needed to achieve this goal. That's why we have developed machine learning algorithms to sift through news for potentially market-moving data. After years of research, we are now focussing on the crucial 1% of over 1,000,000 daily articles covering more than 50,000 different topics. To stay one step ahead in the future, 17 research employees are continuously developing our models," says Dr Markus Ebner, Head of Multi-Asset at Quoniam Asset Management.

The management of the Global Data Sentiment strategy is based on a systematic, scientific processing of data that has been developed over ten years. Sentiment not only encompasses all available fundamental and technical information, but also reflects emotions such as optimism or pessimism. Evaluating these sentiments in news streams before they are priced into the market can give the strategy an information advantage, Dr Ebner continued. Now that it is available as a mutual fund, investors can easily access a previously unavailable source of returns with low correlations to traditional asset classes and hedge fund indices and potentially above-average risk-adjusted returns.

Quoniam's use of artificial intelligence, machine learning and big data is based on over 25 years of experience in quantitative investment processes and the expertise of around 50 investment experts as well as the use of innovative cloud technologies for research purposes.

ABOUT QUONIAM

Quoniam is a leading active quantitative asset manager with assets under management of around 20 billion euros, over 120 employees and offices in Frankfurt and London. Quoniam is a partner-managed company focussing on German and international institutional investors. More information at: www.quoniam.com

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