

Among the possibilities of financial investment, hedge funds can be an excellent option for those looking to diversify their portfolio practically.

This is because, in **multimarket funds**, capital is allocated to [different financial options](#) - variable and fixed income - in a single product.

Multimarket funds have an investment policy that involves several risk factors without the commitment to concentrate on any factor in particular.

INVESTMENT STRATEGIES



Thanks to this flexibility, multimarket funds allow a wide variety of strategies, including

- Macro - carry out operations using investment strategies based on medium and long-term scenarios
- Trading - exploit opportunities for gains from short-term moves

- Long and Short – carry out operations of assets and derivatives linked to the variable income market
- Interest and Currencies – seek long-term returns with investments in fixed-income assets
- Free – bet on different strategies and vary over time
- Specific – adopt strategies that imply specific risks
- Balanced – adopt a predetermined allocation strategy

HOW TO INVEST AND WHO IT IS FOR

Multimarket funds are usually indicated for those looking to diversify investments aiming at **greater profitability**.

Funds with a high level of volatility are better options for long-term investment purposes, as they tend to have longer redemption times.

On the other hand, if the investor needs the money in less time, he should look for more conservative alternatives for resources that require a high degree of liquidity.

The following is a step-by-step guide to investing in multimarket funds:

- Have a good stockbroker
- Check which multimarket funds are available
- Carefully read the prospectus of each fund, [seeking to verify if the assets match your profile and objectives](#)
- Make the financial application
- Monitor whether it is performing according to expectations

Risks

Every investment, from the safest to the riskiest, involves risks. We list the main ones of the multimarkets below:

- Liquidity Risk

In the case of choosing a fund with little liquidity, it is important to consider that the money cannot be redeemed during a previously agreed period.

- Market Risk

This is a very difficult risk to estimate, as it involves a number of variables and is related to market fluctuations.

- Credit Risk

This is the chance of the fund going bankrupt due to mismanagement or similar problems. It is a risk that is part of any application.

Benefits

Among the main advantages of hedge funds, we highlight the following:

The investor has access to a **diversified portfolio** of assets by making just one investment (practicality)

Multimarket does not need to stick to a single strategy, which allows for a quick change in the application (flexibility)

For the same reason, it is possible to add new assets that are performing well, increasing gains (adaptability)

Consequently, they are an interesting option in uncertain scenarios, as they can place multiple bets on different types of assets (versatility)

These are the main aspects related to investments in multimarket funds. Did you like it and want to know more? [Keep following our blog and follow our Instagram for more content.](#)