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FUTURE OF THE QUANTITATIVE HEDGE FUNDS

Abstract:

This paper explores opportunities that arise with advanced software technologies, with particular emphasis on quantitative hedge funds. Quants compose complex algorithmic models to analyze large datasets simultaneously and detect investment opportunities. Hedge funds focused on artificial intelligence and machine learning are seen as the future of the industry by scientists and practitioners. Data will unquestionably play a significant role in the future of investment. Although researchers seem to be concerned with new risks quants may bring to the markets. There are many challenges to overcome before they become the first choice for professional investors. Could quant strategies and silicon traders become center of new paradigm?