

Nordic hedge funds outpace international peers - again

Stockholm (HedgeNordic) - According to data from Hedge Fund Research (HFR), global hedge funds suffered losses in December led by energy and quantitative CTA strategies. The HFRI Fund Weighted Composite Index declined by -0.85 percent in December, ending the year down -0.85 percent, according to a press release from the index data provider.

Among equity hedge funds, market neutral strategies clearly outperformed during the month with the HFRI Equity Market Neutral Index gaining +0.7 percent while the HFRI Equity hedge Index fell -0.6 percent with steep losses seen in energy-focused strategies.

In the fixed income space, funds fell -0.85 percent in December posting a narrow -0.2 percent decline on the year. Within the space, larger relative value arbitrage strategies outperformed while alternative yield and credit strategies lagged.

Event driven strategies were also in the red on the month and for the full year with declines led by the HFRI distressed index which fell by -2.4 percent on the month -8.4 percent for the year, the worst calendar year performance since 2008.

Macro strategies posted losses for the month leading the strategy group to negative returns for the full year. Systematic strategies led the macro sub-category decline falling -2.4 percent on the month -2.3 percent for the full year.

Estimates from the HedgeNordic database with 54 percent of managers having reported their final NAV for the year also suggest a negative month, indicating -0.2 percent for December which brings the 2015 return for the Nordic Hedge Index to 4.9 percent. CTA strategies are weighing on the index with an estimated loss of -2.7 percent while equity hedge strategies are balancing these losses with estimated gains of +1.4 percent. On a country breakdown, NHX DK, NHX FIN and NHX SWE all had a negative month in December, only NHX NOR managed to show a green number.

Out of those managers reported, AAM Absolute Return Fund (+14.9% MTD / 58.5% YTD), Origo Quest (6.9% MTD / 32.7% YTD) and IPM Systematic Currency Fund (5.7% MTD / 2.6% YTD) were the strongest performers in December. Weakest performers so far are all CTAs with Estlander & Partners Alpha Trend II, (-7.1% MTD / -4.7% YTD), RPM Galaxy C (EUR) (-6.9% MTD / +3% YTD) and ALFA Commodity Fund (-6.6% MTD / -5.1% YTD) at the bottom of the tables-

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