

Brummer Multi-Strategy: it's starting to hurt

Stockholm (HedgeNordic) - Brummer & Partners continued the negative trend in May, with their Brummer Multi-Strategy fund losing yet another -0,40% during last month, according to the managers estimates.

The Brummer Multi-Strategy fund (BMS - a fund-of-hedge funds) is now down -3,80% (est.) for the full year. May was the fifth consecutive month of negative performance from the Stockholm based hedge fund giant, being the largest over all decline for the fund, dating back to its inception in 2002. Out of the last ten monthly results, only two - November and December 2015 - were positive.

The investor base for a long time seemed patient with the poor performance of the fund, but now seem to have started to loose faith in the ability of the underlying portfolio managers to recover lost ground. The fund has lost 15% of its AuM since December 2015, which now amounts to 43,7bn SEK (as of 29/4).

Among the single strategies included in the BMS fund, one did stand out on the positive side though in May. The US tech fund Manticore showed strength during the month, gaining almost 4%. Though still in negative territory for the full year -8,5%.

The Long/Short equity manager Bodenholm also gained during the month (up 1,1%) together with UK based credit manager Observatory (+0,7%) and the macro fund Nektar (+0,3%). The CTA manager Lynx plummeted during May, losing -4,6%, adding up to -0,2% for the full year (as of 31/5).

By the end of the month, Observatory was the only single strategy (out of 5) showing positive numbers for 2016, with +2,3%.

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