

Two new launches reviewing NHX-Iceland subindex

Stockholm (HedgeNordic) – Two new fund launches put Iceland back on the map of the Nordic hedge fund universe. The last Icelandic constituent, Verto Recovery Fund, closed its doors nearly three years ago. The new additions to the NHX, which are run by Gamma Capital Management, are designed to “capture the idiosyncratic nature of the Icelandic economy.”

Gamma Icelandic Opportunity Fund is the first fund focused on investments into Iceland. Domiciled in Ireland, its objective is to create a conduit for international investors to invest in Iceland with EUR and USD share classes. The Multi-strategy fund invests in Icelandic assets such as government bonds, deposits, corporate credit and real estate companies, with target returns of 20% per annum over a three-year period, taking anticipated appreciation of the ISK into account.

Gamma Icelandic Macro Fund is a Fixed Income fund, also domiciled in Ireland, which invests in Icelandic government obligations denominated in the Icelandic Krona and in covered bonds issued by Icelandic banks, deposits and bank bills. Its target returns for investors is 10% or more per annum over the next three years, again taking appreciation of the ISK into account.

Gamma Capital Management was the first Icelandic post-crisis financial services company to undertake operations in the UK starting in 2015, following the forthcoming liberalization of the Icelandic capital account. According to Gisli Hauksson, CEO, CIO and co-founder of Gamma, the firm has grown rapidly in recent months, with AUM currently at approximately GBP 800 million. Following its obtaining of an independent operating license from the UK Financial Conduct Authority, the firm’s funds are designed to take advantage of the current favourable economic environment in Iceland, with high economic growth and a high interest rate differential compared to abroad, alongside the expected appreciation of the ISK.

Both funds launched November 1st 2016 and are thus currently working on their first monthly NAVs.

Welcome back to the NHX, Iceland. Make us proud!

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