

# Well-Positioned, Rhenman Sees Upside to Trump Victory

Stockholm (HedgeNordic) Henrik Rhenman, PM of Rhenman Healthcare Equity L/S, is among the industry professionals who see an upside in the victory of US president-elect Donald Trump. Rhenman Healthcare Equity Fund, which is a fund investing in a global portfolio of equities, equity related derivatives, equity index derivatives and other equity instruments, including but not limited to swaps, convertibles and ETFs that focus on the health care industry, stands to capitalize from Trumps victory.

“We were quite comfortable with the fact that there was not going to be a Democratic sweep of the Presidency, the House and the Senate, we believed that was a long way off. We were working on the possibility of a Democratic win with a small majority in the Senate, so the Republicans taking all three is effectively landslide upside for us,” Mr Rhenman said in an interview. Mr Rhenman (pictured with Ellinor Hult, analyst and assistant portfolio manager to the fund) had previously been critical of Mrs Clinton over her comments on pricing in the pharmaceutical sector. “If you add in the fact that Proposition 61 – which would have capped state spending in California on prescription drugs – was defeated and the Republicans came through so strongly is clearly positive for healthcare spending in the short term,” he added. He also expects Mr Trump to look into the restructuring of Affordable Care Act, although Mr Trump’s comments on the issue have been contradictory, particularly since winning the election. He has now suggested he intends to keep two of the law’s most popular provisions, including preventing insurance companies from denying coverage because of pre-existing conditions, which could spell a number of political complications for him.

In the immediate term, however, Mr Rhenman said he would be scanning the U.S. market for hospital stocks which had taken a beating following Mr. Trump’s victory. “We are going to look for valuations we don’t agree, potentially in hospitals. We will keep a close eye to see what percentage these fall by as it could be high single digits,” he added.

Rhenman Healthcare Equity L/S had won the Equity Category at the Nordic Hedge Award three times in a row and was just in April distinguished as best performing Nordic hedge fund over all for its 36 month and 60 month performance. The fund however, by the end of October which saw an 11,7% drawdown on the month was the worst performing of all 164 funds listed in the Nordic Hedge Index.