

Brummer & Partners Family of Funds Enjoys Banner Month

Stockholm (HedgeNordic) – The flagship fund of Swedish hedge fund group Brummer & Partners enjoyed one of the strongest months since its inception in early 2002, after returning 2.38% net-of-fees in August. Brummer Multi-Strategy (BMS), a fund of funds investing in eight hedge fund managers, gained 5.89% year-to-date.

All hedge funds in the Brummer family ended the month of August in the green, with long-short equity and systematic trend-following strategies delivering very strong returns. Manticore, the Brummer-backed long/short fund investing in the technology, media and telecommunications (TMT) sectors, was once again the strongest contributor to performance, after returning an estimated 6.2% in August. The fund gained an impressive 35.9% year-to-date through the end of August.

Fellow long-short equity fund Bodenholm Capital, which manages SEK 5.3 billion in assets under management, also enjoyed solid performance, driven by both long and short positions. The Stockholm-based fund returned 3.71% in August, bringing the year-to-date gains to 9.13%.

Systematic hedge funds Florin Court and Lynx delivered strong returns for the second consecutive month, mainly driven by gains in rates and commodities. Lynx, which uses proprietary-developed models that identify trends and other patterns in financial markets, gained 5.07% in August and 2.37% in July, recouping some losses incurred in the previous months. The fund is down 6.70% year-to-date.

Brummer's multi-strategy fund of funds might epitomize the hedge fund turnaround story of 2017, as the fund remains on track for a great year after suffering its first annual loss last year. BMS outperformed the average fund of funds thus far in 2017, as Hedge Fund Research's Fund-of-Funds Composite Index gained 1.2% in August and 5.5% year-to-date. Meanwhile, the NHX Fund of Funds Index is up a mere 0.22% in the first eight months of 2017. Brummer & Partners is charged a management fee of 1% and a performance fee of 20% by the underlying hedge fund managers, fees passed on to investors. However, unlike some funds of hedge funds, the asset manager does not add an extra layer of fees for its own investors.