

Nordic Equity Hedge Funds Back to School in Style

Stockholm (HedgeNordic) – Nordic equity-focused hedge funds, as expressed by the NHX Equities, gained an estimated 1.9% in September (91% reported), their best month in more than a year. The September gains came after four consecutive months of negative performance.

Global equity markets gained 2.7% in € in September, with Eurozone equities rising 4.4% in € and North American equities advancing 2.2% in US\$ (and 2.7% in €). European equities rebounded from losses suffered in August, thanks to continuing positive economic data and the weakening of the Euro. Meanwhile, North American Equities reached an all-time high on the last day of the month, as President Trump's tax plan returned on the agenda and the Federal Reserve announced plans to gradually start to trim its \$4.5 trillion balance sheet and hinted at an interest rate increase in December.

AAM Absolute Return Fund, a Norwegian long/short equity hedge fund investing in securities related to global energy and natural resources, was the biggest contributor to the performance of the NHX Equity, after gaining 10.3%. The fund managed by Oslo Asset Management recouped some losses incurred in the prior months, with the September gain reducing the year-to-date loss to 2.9%. Oil prices, up more than 9% in September, the highest monthly gain since April 2016, likely boosted the fund's performance.

Atlant Sharp Europe, an actively-managed fund trading equity-related derivatives on the EuroStoxx50 Index, and Atlant Sharp, a similar fund trading derivatives on the OMXS30 Index, also made the list of NHX Equities' best-performing funds. The first returned 6.5%, and the second 6.3%. Nordic-focused long-short equity fund Norron Select recorded its largest monthly gain since inception in early 2011, with September's 6.2% gain bringing the year-to-date performance to 0.4%.

On the losing side of the NHX Equities, Atlant Responsible, a market-neutral hedge fund investing in European sustainable companies, lost nearly 2.0% and was the worst-performing equity fund in September. Nordea 1 Stable Equity Long/Short Fund, a beta-neutral strategy, fell 1.6%, bringing the year-to-date losses to 5.1%. The fund is at risk of facing a third consecutive year of negative performance.