

# Nordic CTAs Disappoint One Last Time in 2017

Stockholm (HedgeNordic) - Nordic CTAs ended 2017 on a negative note, as two-thirds of the NHX CTA Index members reported losses for December. As a result, Nordic CTAs recorded their second-worst annual performance since 2005, reflecting choppy trends across sectors and markets.

The NHX CTA Index was down 0.7% in December and the full-year loss widened to 2.4%, concluding the year as the only NHX sub-category posting a loss for the entire 2017. Consequently, the NHX CTA Index is suffering the longest and deepest drawdown since 2005, a drawdown that started in August 2016 and has been extending for 11 months.

Global CTAs fared slightly better than Nordic CTAs last year, with the Barclay CTA Index gaining 0.8%. However, CTA indices were flat on aggregate in 2017, a year characterized by low market volatility in the face of political turmoil in the United States and geopolitical tensions. All in all, only equity markets offered exploitable long-lasting trends throughout the year, whereas commodities and other sectors were rather trendless.

RPM Galaxy, which invests in a concentrated pool of CTA managers, was the best-performing player among Nordic CTAs in December, up 3.2% (3.3% for the year). Galaxy's entire pool of CTA managers ended the month in positive territory. Artificial intelligence-powered Coeli Prognosis Machines and Volt Diversified Alpha Fund gained 1.3% and 1.2%, respectively.

Two Estlander & Partners vehicles and one ALFAKRAFT Fonder fund lagged peers by a noticeable margin in the last month of 2017. Estlander & Partners Alpha Trend II and Estlander & Partners Presto lost 6.5% and 2.7% in December, while ALFA Axiom Fund suffered a loss of 2.4%.

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