

Month In Review - May 2018

Stockholm (HedgeNordic) - Nordic hedge funds as a group gained 0.5 percent in May (87 percent reported), powered by equity-focused hedge funds that benefited from rising global equity markets (up 4.5 percent in euro terms) as a result of solid corporate and economic data. The Nordic Hedge Index (NHX), currently consisting of 163 members, moved into positive territory for the year at 0.4 percent (view the NHX Monthly Review).

Three of the five NHX sub-categories enjoyed a positive month in May, with Nordic CTAs suffering yet another month of negative performance as investor bullishness reversed sharply in the fourth week of the month (read more details). Equity hedge funds gained 1.1 percent last month, bringing their year-to-date performance further into positive territory at 1.3 percent. Nordic CTAs were down 0.9 percent in May, marking the third monthly loss in the first five months of 2018 (down 3.1 percent YTD). Fixed-income and multi-strategy hedge funds were up 0.3 percent and 0.5 percent, respectively (up 0.8 percent and 0.9 percent YTD). Funds of hedge funds were flat in May, maintaining the year-to-date losses at 1.1 percent.

Equity-focused hedge funds totally dominated May's list of best performers in the NHX, with value investing fund HCP Focus Fund and activist fund Accendo Capital returning 8.7 percent and 8.4 percent, correspondingly. HCP Quant, Incentive Active Value Fund, and Rhenman Healthcare Equity L/S all returned in excess of 6 percent last month.

Evli Factor Premia, a member of the NHX Multi-Strategy Index employing systematic market-neutral factor strategies, and three members of the NHX CTA Index (Estlander & Partners Freedom, SEB Asset Selection Opportunistic, Aktie-Ansvar Trendhedge) incurred losses of 5 percent or more in May.