

# **L/S Version of Prized Long Only Strategy Joins the NHX**

Stockholm (HedgeNordic) - Norron Alpha, a market-neutral equity hedge fund managed by Nordic asset manager Norron AB, has recently been added to the Nordic Hedge Index (NHX). The fund originates from the asset manager's long-only equity fund Norron Active, named as Sweden's best fund in the past five years by Swedish online magazine Placera at the end of last year.

The long side of Norron Alpha constitutes a replica of Norron Active's portfolio, with the fund's beta component reduced by shorting the OMX Stockholm Benchmark (SBX) - a capitalization-weighted total return index designed to track the performance of the Stockholm Exchange. Norron Alpha's long side mainly consists of companies listed on the Swedish equity market, but the fund can make investments in all Nordic markets. The investment process for selecting companies in the fund's collection of long positions is research-driven, with the process involving both a fundamental and non-fundamental analysis. The fundamental analysis focuses on company profitability, balance sheet quality, and competitive advantages. The non-fundamental review, meanwhile, represents a qualitative analysis that considers the quality of company management and ownership structure. Norron Alpha is shorting the SBX index using total return swaps, with the short side of the fund being monitored daily to ensure the fund is market neutral.

Norron Alpha was launched in September 2016 and is managed by fund manager Gustaf Sjögren (*pictured*), a co-founder of Norron AB. Prior to working at Norron, Sjögren served as an institutional broker at Handelsbanken between 1986 and 1991 and also worked as a fund manager of the Reavinst Fond at Handelsbanken Fonder. He co-founded Catella Fonder in 1998 and became a partner the same year. Sjögren was the fund manager of Catella's Reavinsfond between 1998 and 2003, but was also a co-founder and asset manager of Catella Hedgefond until 2010. He has also been managing Norron Active since its inception in September 2011.

Welcome to the Nordic Hedge Index!