

Month In Review - August 2018

Stockholm (HedgeNordic) - Nordic hedge funds, as measured by the Nordic Hedge Index (NHX) Composite, gained 0.5 percent on average in August (89 percent reported), with CTA funds gaining the most as a group. The NHX Composite recorded a new all-time high of 191.76 last month, surpassing the previous record high reached in January earlier this year. On average, Nordic hedge funds rose 1.0 percent this year through the end of August.

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Based on preliminary estimates, four of the five NHX sub-categories recorded month-on-month gains in August. CTA funds were the best performers last month, with four in every five members of the NHX CTA posting positive returns for the month. Nordic CTAs rose 1.7 percent in August, bringing performance for the first eight months of 2018 to down 1.4 percent. Equity hedge funds rose 0.5 percent on average last month and 2.3 percent this year through August. Multi-strategy hedge funds were up 0.3 percent in August, whereas fixed-income funds were flat for the month. Multi-strategy and fixed-income vehicles are up 0.9 percent and 1.0 percent year-to-date through the end of August, correspondingly. Fund of hedge funds, meanwhile, fell 0.1 percent last month, leaving year-to-date losses at about 1.3 percent.

More than half of the funds comprising the NHX posted gains in August, with five vehicles recording monthly returns above five percent. Estlander & Partners Alpha Trend II, a higher leverage version of systematic trend-following strategy Alpha Trend, was August's top performing fund in the NHX with a gain of 8.5 percent. Value-oriented HCP Focus Fund advanced 8.3 percent, bringing returns to 25.9 percent for the year. HCP Focus Fund is the best performing member of the NHX year-to-date. Diversified multi-CTA fund RPM Galaxy was up 7.6 percent in August, cutting this year's losses to 6.7 percent.

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