

Nordic Hedge Funds Going for EuroHedge Awards

Stockholm (HedgeNordic) – A large number of Nordic hedge funds are among shortlisted nominees for the EuroHedge Emerging Fund Management Awards 2018, where smaller and younger Europe-based hedge funds are awarded for risk-adjusted and absolute return performance. The winners will be announced at the beginning of November in London.

The majority of the awards categories are based on annualized returns and Sharpe ratios since fund inception, with a new category awarding hedge funds based on pure performance over the 12-month period through the end of August. Only Europe-based hedge funds with assets under management between \$20 million and \$500 million qualify for the awards.

Best performance since inception, for funds with assets of between \$20m and \$100m

Elementa, a long/short equity fund specializing in Nordic small and mid-sized companies, was shortlisted as one of the nine finalists in the “European Equity” category. Elementa produced an average annual return of 8.2 percent since its inception in March 2015 through September of this year, with the fund’s Sharpe ratio standing at 1.75 according to our statistics. Origo Quest 1, a long/short equity hedge fund which usually takes an active role in corporate changes at small-cap companies, was nominated in the “Event Driven & Distressed” category alongside five other funds. The Stockholm-based fund generated an annual return of 11.1 percent on average since launching in February 2013.

Thyra Hedge, a fundamentally-oriented long/short equity hedge fund investing on a global basis, competes with eight other vehicles for the best global equity hedge fund. Titan Opportunities, a London-based fund co-founded by Norwegian-born Espen Westernen, was shortlisted in the “Multi-Strategy” category. The fund invests in equity- and credit-related securities within cyclical and commodity-related sectors and returned an impressive 78.3 percent since launching in the June of 2016, which corresponds to an average annual return of 28.1 percent.

Best performance since inception, for funds with assets of between \$100m and \$250m

Borea European Credit and HP Hedge, two members of the fixed-income category of the Nordic Hedge Index (NHX), are running neck and neck and have an equal chance of winning in the “Credit & Fixed Income” awards category. Borea European Credit produced an average annual return of 8.8 percent since incepting at the beginning of 2012, while HP Hedge generated an annual return of 9.0 percent since launching in March 2007. Borea European Credit has a Sharpe ratio of 1.59, whereas HP Hedge has a slightly lower Sharpe ratio of 1.13.

Trient Dynamic Multi-Asset Fund, which runs a value-driven multi-asset strategy that produced an average return of 7.7 percent since launching in January 2012, was nominated for the “Multi-Strategy” category at the upcoming EuroHedge Emerging Fund Management Awards.

Best performance since inception, for funds with assets of between \$250m and \$500m

Three Nordic hedge funds are competing to receive the award for the best European equity hedge fund among vehicles with assets under management between \$250 million and \$500 million. Gladiator, Incentive Active Value, Taiga, and three other non-Nordic hedge funds have a chance of

winning the award. Long/short fund Gladiator returned 13.0 percent per year on average since its launch in February 2005, while the much younger Incentive Active Value Fund gained 10.3 percent on average since inception in July 2014. Long-biased value-oriented fund Taiga, meanwhile, produced an average annual return of 15.8 percent since July 2009 and has a Sharpe ratio of 1.84.

AAM Absolute Return Fund, a long/short equity fund searching for fundamental inefficiencies in the energy and natural resource sectors, is one of the five nominees for the “Global Equity” category. The Oslo-based fund gained 16.1 percent year-to-date and produced an annual return of 11.6 percent on average since December 2005.

Best 12-month performance (Sept 2017-Aug 2018), across all strategies

Five members of the NHX were shortlisted in a new category that awards European hedge funds based on best performance over a 12-month period. QQM Equity Hedge, an equity-focused market-neutral hedge fund, and Titan Opportunities were shortlisted in the category featuring funds with assets of up to \$100 million. Scandinavian Credit Fund, this year’s best-performing member of the NHX Fixed Income with a year-to-date gain of 5.7 percent, was among the nominees in the group of funds with assets between \$100 million and \$250 million. AAM Absolute Return and Gladiator, meanwhile, were nominated in the category of funds managing assets between \$250 million and \$500 million.

Best new funds: performance since inception, for funds with 0-3 years track record and assets of up to \$500m

In addition to the aforementioned nominations, Titan Opportunities is also competing for the best new fund award in the “Macro, Fixed Income & Relative Value Strategies” category. With a 78.9 percent return since starting in June 2016, Titan Opportunities has a real chance of winning the award.

A summary of the Nordic hedge funds shortlisted for the EuroHedge Emerging Fund Management Awards 2018 can be found below:

Best performance since inception, for funds with assets of between \$20m and \$100m:

- European Equity: Elementa;
- Event Driven & Distressed: Origo Quest 1;
- Global Equity: Thyra Hedge;
- Multi-Strategy: Titan Opportunities.

Best performance since inception, for funds with assets of between \$100m and \$250m:

- Credit & Fixed Income: Borea European Credit, HP Hedge;
- Multi-Strategy: Trient Dynamic Multi-Asset.

Best performance since inception, for funds with assets of between \$250m and \$500m:

- European Equity: Gladiator, Incentive Active Value, Taiga;
- Global Equity: AAM Absolute Return.

Best 12-month performance (Sept 2017-Aug 2018), across all strategies:

- Funds with assets up to \$100m: QQM Equity Hedge, Titan Opportunities;

- Funds with assets of \$100m-\$250m: Scandinavian Credit Fund;
- Funds with assets of \$250m-\$500m: AAM Absolute Return, Gladiator.

Best new funds: performance since inception, for funds with 0-3 years track record and assets of up to \$500m:

- Macro, Fixed Income & Relative Value Strategies: Titan Opportunities.

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