

Two New Danske Hedge Funds on the Horizon

Stockholm (HedgeNordic) – Traditional assets classes have enjoyed a solid run of performance since the financial crisis, but uncorrelated strategies are gradually stealing attention from long-only strategies. To meet increased investor demand for strategies uncorrelated with capital markets, Danske Bank Asset Management plans to launch two hedge fund vehicles in 2019.

One of the soon-to-be-launched hedge funds will seek to generate absolute returns by investing in the G10 currencies, the most actively traded currencies in the foreign exchange market. The fund is set to launch in the spring of next year and will be managed by Claus Venderby Hornsleth.

The second vehicle is a global macro hedge fund managed by Bo Bejstrup Christensen and Lars Tranberg Rasmussen. Christensen re-joined Danske Bank Asset Management in June of this year as chief portfolio manager of the new macro hedge fund. Rasmussen, meanwhile, joined the asset manager's hedge fund team as senior portfolio manager earlier this month. Rasmussen has more than ten years of experience in financial markets and asset management, most recently having served as a senior portfolio manager in Danske Bank Asset Management's solution team.

"Bo and I have been overwhelmed and humbled by the interest in the position. We are both extremely confident that we have found the right person," says Michael Petry (*pictured*), head of hedge funds at Danske Bank's asset management arm, about the appointment of Lars Tranberg Rasmussen as senior portfolio manager of the new macro hedge fund. "I look forward to adding Lars' skills to the hedge fund team, as we continue on our journey to expand and enhance our hedge fund offering and execute our overall strategy," he adds.

In contrast to the asset manager's current suite of hedge funds, the soon-to-be-launched macro hedge fund will not cap assets at the usual level of €1 billion. According to Petry, the unconstrained inflow of capital was among the key reasons for developing the new macro-focused strategy, as it complements the existing range of hedge fund offerings. Petry anticipates the strategy to become market-neutral in the long-term. "Clients use our hedge fund strategies as components that are not correlated with the assets already residing their portfolios, mostly comprised of long-only fixed-income and long-only equity strategies," Petry tells HedgeNordic.

Danske Bank Asset Management launched two hedge funds earlier this year, Danske Invest Fixed Income Global Value and Danske Invest Global Cross Asset Volatility. The first fund invests in bonds and money market instruments globally and manages €230.2 million in assets as of the end of October. Michael Petry anticipates this fund's assets under management to double in the next couple of months.

"We have a very strong pipeline of interest from institutional clients, and at the same time, the fund will soon become eligible for Danske Bank's private banking clients," says Petry. Danske Invest Global Cross Asset Volatility, which seeks exposure to volatility risk premia across various asset classes, oversees around €58.0 million in assets as of the end of this month.