

Handelsbanken's ESG-Focused Fund Joins NHX

Stockholm (HedgeNordic) – Handelsbanken Hållbarhet Hedge Criteria, a young hedge fund investing in companies that have a strong focus on sustainability, has joined the Nordic Hedge Index (NHX). The hedge fund has been overseen by portfolio manager Viking Kjellström (*pictured*), who also manages market-neutral equity hedge fund Handelsbanken Global Selektiv Hedge, since mid-September.

Handelsbanken Hållbarhet Hedge Criteria is a long/short market-neutral fund that invests in companies that have a particular focus on sustainability, whose business models are favoured by the broader fundamental shift towards a more sustainable living and environment. The fund avoids companies doing business in controversial industries such as alcohol, tobacco, commercial gaming, military equipment, pornography, and fossil fuels. As a long/short vehicle, Handelsbanken Hållbarhet Hedge Criteria can initiate short positions in companies anticipated to struggle as a result of the current shift towards sustainability, as well as companies with low or inadequate sustainability performance, weak corporate governance or other sustainability-related shortcomings. These short positions enable the fund to reduce market risk and increase the fund's return potential.

The ESG-focused hedge fund was launched in early February of 2018 and has been managed by Viking Kjellström since September 17. Kjellström has more than ten years on the buy side in different roles and has managed Handelsbanken Global Selektiv Hedge, one of the oldest vehicles in the Nordic Hedge Index (NHX), since mid-April of 2016. Handelsbanken Hållbarhet Hedge Criteria oversees SEK 653 million in assets under management as of the end of October. Both hedge funds managed by Kjellström held up quite well during the market turbulence of October, with the oldest vehicle falling 0.2 percent and the younger fund retreating 0.5 percent last month.