

Madrague Launching UCITS Version of Existing HF Strategy

Stockholm (HedgeNordic) – Stockholm-based hedge fund manager Madrague Capital Partners AB is launching the UCITS version of their existing SICAV-SIF fund, Madrague Equity Long/Short Fund, on December 6. The soon-to-be-launched fund called Nordea 1 – European Long Short Equity Fund will be similar in all respects with the existing fundamentals-based long/short vehicle.

The UCITS fund will charge investors a performance fee of 15 percent above a hurdle rate, lower than the performance-based fee of 20 percent currently charged by Madrague Equity Long/Short Fund. Current and prospective investors in the SICAV-SIF fund, however, will see the performance fee reduced to 15 percent starting with the first day of 2019.

The new fund launch was initially announced in mid-July when Nordea Asset Management agreed to acquire a 40 percent stake in Madrague Capital Partners. Back in July, Madrague's CIO, Lars Frånstedt, said that "the combination of Madrague's hedge fund strategy and Nordea Asset Management's great distribution power is a perfect match."

Madrague Equity Long/Short is a global equity hedge fund that employs a fundamental research process to identify investment opportunities mainly in European equity markets. On average, 50 percent of the fund's portfolio companies are listed on European equity markets, 30 percent in the Nordics, and 20 percent in North America. The fund produced an average compounded return of 5.6 percent per year since its inception in February 2012 and generated a compounded rate of return of 7.1 percent over the past 36 months despite giving up some gains year-to-date through October.