

# Changes at the Helm of Catella's Hedge Funds

Stockholm (HedgeNordic) – Catella has announced portfolio management changes for two of its hedge funds: Catella Hedgefond and Catella Nordic Long/Short Equity. The changes come on the back of poor performance for the long/short equity vehicle in 2018, as the fund gave back prior gains after a fall of 18.1 percent in the fourth quarter.

Martin Nilsson and Ola Mårtensson, who had been previously responsible for the day-to-day management of Catella Nordic Long/Short Equity, are handing over the portfolio management to the team running Catella Hedgefond. Nilsson, who had been part of the five-member team managing Catella's flagship hedge fund before the recently announced changes, will hand over his mandate in Catella Hedgefond to the four remaining members of the team. Instead, Nilsson will focus on co-managing Catella Småbolagsfond, a long-only fund investing in Swedish small-cap companies. Thomas Elofsson, Stefan Wigstrand, Martin Jonsson and Anders Wennberg form the four-member team currently managing Catella Hedgefond, which oversees SEK 9.3 billion in assets under management as of the end of last year.

Ola Mårtensson, meanwhile, will focus on managing Catella Balanserad, a broad fund of funds investing both in Catella funds and external vehicles, as well as managing a range of funds marketed and sold by ICA Banken AB as part of a collaboration between Catella Fonder and ICA. Catella Balanserad invests half of its assets in Swedish and international equity funds, whereas 20 percent and 30 percent of the remaining assets are invested in hedge funds and Swedish fixed-income funds, respectively.

The target return objectives and risk profiles of the two hedge funds undergoing portfolio management changes remain unaffected. Catella's portfolio management team of hedge funds, however, will intensify their efforts to increase gross exposure, increase sector diversification, and limit correlations to underlying markets. "The performance outcome in 2018 did not live up to our expectations, and we are not satisfied, especially in the case of the fund Catella Nordic Long/Short Equity," reads Catella's recent announcement, but the reshuffled portfolio management team are rolling up their sleeves to rectify last year's struggles.