

Danish Manager Broadens Mandate with New Launch

Stockholm (HedgeNordic) – In October of last year, Copenhagen-based HP Fondsmæglerselskab launched a hedge fund with a broader investment mandate than of their flagship fund HP Hedge Danish Bonds. The younger hedge fund called HP Hedge Fixed Income joins its sister fund in the Nordic Hedge Index (NHX).

HP Hedge Fixed Income predominantly invests in Danish and Swedish mortgage bonds, but can also invest in short- and medium-term European government and mortgage bonds. HP Hedge Danish Bonds, which just recently was recognized as Europe's best fixed-income hedge fund of 2018 at the EuroHedge Awards, mainly focuses on Danish government and mortgage bonds. The younger hedge fund aims to exploit relative-value opportunities in European fixed-income markets, focusing on Nordic markets and bonds with high credit quality. HP Hedge Fixed Income is expected to return between four and seven percent in 2019, reflecting favorable funding rates.

"The main focus is on the Danish bond market," portfolio manager Thomas Kjær tells HedgeNordic about the new fund. "Due to Danish bonds growing rich as foreign demand has been increasing, the Swedish fixed income market, whose mortgage bonds in risk terms are comparable to their Danish counterparts, has also been included," he adds. "The fund is preparing to invest into the broader European fixed income market as well. The main incentive is that increased regulation of the financial sector in Europe is supposed to periodically increase volatility in financial markets and thus create opportunities to exploit exaggerated price movements," concludes the portfolio manager.

HP Hedge Fixed Income is managed by a four-member portfolio management team led by Henrik Fournais, who currently serves as a portfolio manager and chief executive officer at HP Fondsmæglerselskab. Michael Nielsen, Thomas Loldrup Kjær, and Mark Gerts Rentzmann Jøns are the other three members of the portfolio management team. The same group is responsible for the day-to-day management of HP Hedge Danish Bonds, which generated an average compounded return of 8.8 percent per year since its inception in March 2007 and earned a cumulative return of 30 percent in the past three years alone.

Welcome to the Nordic Hedge Index (NHX)!

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