

Nektar to liquidate following Brummer's Redemption

Stockholm (HedgeNordic) – Two separate press releases, one from Brummer Multi-Strategy and one from Nektar announced “Brummer Multi-Strategy (BMS) is redeeming its entire investment in the fund Nektar by 31 May 2019.”

Nektar writes: “Nektar Asset Management AB has decided to liquidate the Nektar fund. The decision is based on the fact that the financial environment for the fund's strategy continues to be challenging and that the fund's largest investor, Brummer Multi-Strategy, will be redeeming its investment in Nektar by 31 May 2019.”

“The decision is ultimately a consequence of a prolonged challenging market environment for the fund. Nektar's 21 years in operation have been an inspiring journey and this was an emotional, but right decision”, comments Patrik Olsson, Chairman and CIO at Nektar Asset Management AB.

Nektar launched in 1998 and has yielded an average annual return of 9.1 per cent since inception. The fund's total assets under management as of 31 March 2019 amounted to approximately SEK 10 billion.

“Nektar has been a pillar of BMS from the outset and its risk-adjusted contribution has been strong over time. Recent years have been a challenging financial environment for Nektar's strategy on account of low interest rates and the extreme pricing of volatility. The future prospects are also difficult to assess. Recently we have had a constructive dialogue with Nektar but have now made the decision to redeem the entire investment in Nektar. We invest in funds with the intention of long term commitments, so ending this investment is by all means sad after 17 years. But all investment decisions are meant to increase the value for long term strong risk-adjusted performance to BMS's investors”, says Mikael Spångberg, BMS's CEO and portfolio manager.

Following the redemption in Nektar, BMS is invested in eight funds: AlphaCrest, Arete, Black-and-White, Bodenholm, Florin Court, Lynx, Manticore and Observatory.

Pictured, from better days, are Nektar's CEO Gunnar Wiljander with Mikael Spångberg, BMS's CEO and portfolio manager – at the time COO at Nektar – receiving the prize as Best Nordic Multi Strategy Hedge Fund for 2015 with HedgeNordic's publisher, Kamran Ghalitschi.

Nektar has been a pillar and pioneer among Nordic hedge funds, and the funds liquidation is truly heartbreaking news. Despite the recent difficulties the fund has been facing with performance and maintaining assets, its vanishing is loss for the entire Nordic hedge fund space. Sad news. You will be missed, Nektar.