

Alfakraft Changes Course

Stockholm (HedgeNordic) – Stockholm-based asset manager **Alfakraft Fonder** has switched directions and revamped its focus by temporarily shutting down the hedge fund business. The asset manager no longer manages any hedge funds after closing down three hedge funds and overhauling the strategy of a fourth fund, but the firm leaves a door open for managing hedge funds in the future. As part of a new journey, Alfakraft Fonder has opted to focus on a narrow range of unique investment strategies in the Swedish fund industry.

Old Hedge Fund Business

Alfakraft Fonder was founded in 1998 to focus on electricity trading. Around ten years later, the Stockholm-based firm decided to move in a different direction to focus on the management of quantitative hedge funds. The asset manager, however, no longer features any hedge fund products in its fund range.

Trend-following **Alfa Axiom Fund** was closed down in mid-October after nine years since its launch in June of 2010. Thomas Stridsman had managed the fund since inception until he departed Alfakraft at the end of 2018. Despite enjoying a strong rookie year with a return of 21.4 percent in 2010, Alfa Axiom Fund suffered a lengthy period of poor performance. **Alfa Quant Fund**, which invested in Alfakraft Fonder's single-strategy funds, was closed down during the summer after a period of underwhelming performance.

Alfa Sigma Opportunities also no longer runs under the umbrella of Alfakraft Fonder. Daniel Dahlin and Oscar Hakenäs, the fund's portfolio managers, took control of an existing AIF-licensed fund from Alfakraft in June of 2017 and started managing their strategy via the acquired fund. The duo, who employed a short-term model-driven trading strategy focused on global options and futures, plans to restart the fund with a different broker setup and custodian.

Alfa Aktiv Fund, which used to trade futures on the OMX Stockholm 30 Index or similar index-linked securities, currently operates as an equity fund that invests in Swedish companies with a high proportion of women in leadership positions. The fund was renamed into "She Invest Sweden" and has been running the revamped strategy since mid-June of this year.

Alfakraft's New Direction

After shutting down the hedge fund business, Alfakraft Fonder now focuses on offering investors a range of unique strategies. In addition to She Invest Sweden, the Stockholm-based asset management firm manages Fastighetsräntefonden, a fund that primarily invests in secured property loans. More specifically, the fund invests in Swedish high-yielding property-related loans with real estate mortgages as underlying securities.

Alfakraft Fonder also plans to launch a systematic long-only equity fund that invests in 100 global stocks with the lowest correlation to the market. The fund is called GlobeCap 100 and aims to offer attractive risk-adjusted returns with low correlation to the broader equity market.