

# Nordic Equity HFs Up in October

Stockholm (HedgeNordic) – Nordic equity hedge funds gained 0.6 percent on average in October (90 percent reported), as global equity markets ended the month in the green as a result of a “substantial phase one” deal between the United States and China and central banks cutting rates. Equity hedge funds, as measured by the NHX Equities, advanced four percent year-to-date through the end of October.

Global equity markets, as measured by the FTSE World Index, rose by 0.4 percent in Euro terms last month. Nordic equities, as expressed by the VINX All-Share index, returned 1.3 percent in Euro terms in October. The index includes all firms listed on Nasdaq OMX Nordic Exchanges and Oslo Börs. Eurozone equities were up 1.2 percent, whereas North American stocks were down 0.3 percent in Euro terms.

Based on preliminary estimates, Nordic equity hedge funds as a group performed in line with their global peers. The Eurekahedge Long Short Equities Hedge Fund Index, which tracks the performance of 964 global equity hedge funds, gained 0.6 percent last month based on reported data from 19 percent of index constituents. Global long/short equity funds were up 6.8 percent in the first ten months of 2019. The HFN Equity Hedge Aggregate Index, which includes equity hedge funds from eVestment’s hedge fund database, was up an estimated 0.6 percent in October. The HFN index was up 8.4 percent year-to-date through the end of October.

The dispersion between last month’s best- and worst-performing members of the NHX Equities decreased relative to the previous month. The top 20 percent of members gained 3.9 percent on average, whereas the bottom 20 percent lost 1.9 percent. In September, the top 20 percent was up 3.3 percent, and the bottom 20 percent was down 3.9 percent. About half of all the members of the NHX Equities posted gains last month.

**Rhenman Healthcare Equity L/S** was the group’s best-performing member in October with a return of 6.5 percent. The long-biased healthcare-focused equity fund returned 18.1 percent in the past ten months. **Atlant Sharp**, a hedge fund that trades equity-related derivatives on the OMX Stockholm 30, advanced 5.1 percent in October and was up 22.3 percent in the past ten months. **Sector Zen Fund**, a Japan-focused long/short equity fund, closely followed suit with a monthly return of 5 percent. The Oslo-based fund gained 18.4 percent in 2019. **KLP Alfa Global Energi** was up 3.5 percent last month and 8.2 percent in the first ten months of 2019.

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