



Back in the Game

Stockholm (HedgeNordic) - **Brummer & Partners** welcomes a new member to its family: **Frost Asset Management** and its **Frost Fund**. Launched and managed by former employees at the now-closed [Nektar](#), Frost is a relative value hedge fund focusing on Scandinavian fixed-income markets set to be launched on the first working day of the new decade.

Frost will be managed by Martin Larsén, former deputy chief investment officer at Nektar, and Anders Augusén, a portfolio manager at Nektar for over ten years. The experienced manager duo is joined by Johanna Ahlgren, who acts as the chief executive officer of the asset management firm. Ahlgren previously served as deputy chief executive officer of Nektar and worked as a corporate lawyer for both Nektar and Brummer & Partners.

“I have been thinking about this launch for a long time, but I also realized that a finely calibrated management structure must be in place for such a defined investment strategy,” Larsén comments on the launch of Frost. “We now have the structure, with system support that resembles a well-organized Formula 1 park and a slim, experienced team,” he adds. “Our quantitative approach, combined with the experience and lessons learned from the many years at Nektar, provide the conditions for generating returns with a low correlation to traditional asset classes.”

Commenting on the geographic focus, Augustén says that “Scandinavian fixed-income markets are inefficient in several respects.” He also emphasizes that “financial assets are generally expensive, which justifies our pronounced focus on relative value.” Frost is almost fully subscribed and is set to close to new investors at SEK 2.5 billion in managed capital. In addition to about ten large institutional investors, [Brummer Multi-Strategy](#), the multi-strategy fund investing in single-strategy hedge funds within the Brummer & Partners family, will also invest in the soon-to-be-launched fund.

“Frost has an experienced and competent team with a unique strategy,” says Mikael Spångberg, Portfolio Manager and Managing Director of Brummer Multi-Strategy. “We continuously evaluate various strategies and consider that Frost can deliver strong risk-adjusted returns and act as a good diversifier in the existing portfolio,” he adds.

“We also like that the fund’s capital capacity is limited to maximize the ability to deliver strong absolute returns in what is likely to be a challenging environment for traditional asset classes,” says Spångberg. If market conditions for the strategy change, Frost can raise more capital, with Brummer Multi-Strategy and the other existing investors having a preferential option to allocate more capital.