

Approaching its 20-Year Anniversary

Stockholm (HedgeNordic) – The original **Lynx Fund** launched in May 2000 was last year's best-performing member of the NHX CTA after returning 15.4 percent for the year. The Swedish-domiciled systematic fund outperformed both local and international peers. "2019 was a very good year for CTAs, but even a better year for Lynx," **Svante Bergström** (*pictured*), CEO and co-founder of Lynx Asset Management, said in a recent interview. "It was a fantastic year for us."

Lynx (Sweden) uses both trend-following models and diversifying models to catch trends in various markets and reduce drawdowns in non-trending environments. "Two-thirds of the profits came from trend-following models and the last third from our diversifying models," explains Bergström. The fact that Lynx (Sweden) is "more heavily relying on non-trend models" represents one possible reason as for why the fund outperformed peers last year. "The machine learning models that we have performed extremely well during the year," emphasizes Bergström.

Discussing the sectors that contributed to last year's performance, Bergström says that "we had a huge trend in fixed income markets in the first eight months or so, where we made a lot of money on falling interest rates globally." Lynx (Sweden) was up over 29 percent in the first months of 2019. "Then that trend turned around after the summer," says Bergström, adding that "we had to give back some of the profits in the sector." Lynx (Sweden) also made some money in equity markets during the fall. "Then we lost money in commodities, where we had some nasty reversals," explains Bergström.

Lynx (Sweden), the oldest running hedge fund in Sweden, will reach its 20th anniversary later this year. "That is something to be proud of," Bergström comments on the 20-year track record and on holding the title of the oldest running Swedish hedge fund. "We are proud of what we have, and we are looking forward to the next 20 years," he adds. Looking back at the inception of Lynx Asset Management two decades ago, the team was only comprised of three managers at the time. "Now we have a company with 80 people, most of whom are working on improving the investment process and coming up with new ideas." Lynx Asset Management is a very different company now compared to 20 years ago and relies on a "much more sophisticated investment process," according to Bergström.