

Estlander & Partners Expands Fund Family

Stockholm (HedgeNordic) – Finnish systematic asset manager **Estlander & Partners** has expanded its fund range with the launch of **Estlander & Partners Glacies AIF**, a futures-based cross-asset multi-factor vehicle. Launched in February last year, the fund returned 9.8 percent through the end of January 2020.

Estlander & Partners Glacies builds a well-balanced portfolio of five strategy categories to capture the trend, carry, value, volatility and liquidity risk premia across various asset classes using futures. **Martin Estlander** (*pictured*), who founded Estlander & Partners in 1991, tells HedgeNordic that “each category has a distinct performance driver, which translates into low correlation between the categories over time.” More importantly, “a number of individual strategies are used to harvest the respective risk premia in each category,” explains Estlander.

Estlander & Partners manages two other programs that are part of the Nordic Hedge Index: the **Estlander & Partners Freedom program** and **Estlander & Partners Alpha Trend program**. The Alpha Trend program was launched in 1991 and is the longest-living member of the Nordic Hedge Index. According to Estlander, “the Alpha Trend program is a pure trend-following strategy, whereas the Freedom program is more of an all-weather strategy with a higher risk-return profile than the more recent Glacies.”

Estlander & Partners Glacies gained 8.9 percent in 2019, with each of the five strategy categories delivering positive performance. “The correlation among the categories has hovered between 0.2 and -0.2,” says the founder, adding that “the positive return and low correlation for each of the components provide for a contained volatility of 5.7 percent and a solid information ratio for the fund.”

Describing the fund’s approach to managing risk, Estlander says that “each strategy category utilizes dynamics that reduce exposure as a function of limited opportunities and negative performance.” This “provides for an at-the-money call-like risk exposure,” which safeguards against “black swan-type of scenarios.”

Welcome to the Nordic Hedge Index!