

# Insuring Against Equity Market Drawdown

Stockholm (HedgeNordic) – A systematic long/short equity fund under the umbrella of Mandatum Life, a Finnish insurance firm and financial services provider, has now joined the Nordic Hedge Index. Managed by Finnish portfolio manager Ville Rantanen (*pictured*), **Mandatum Life Slim Tail US Long/Short Equity** relies on a systematic approach to get exposure to the U.S. equity market through equity index instruments.

The fund's systematic strategy was designed by Rantanen's team members, primarily **Matti Suominen** and **Lauri Vaittinen**, and is well-founded in their own academic research. Using cross-asset signals from bonds and time-series momentum-based methodologies, the fund aims to achieve equity-like returns while maintaining limited market exposure during substantial drawdowns. Mandatum Life Slim Tail US Long/Short Equity gets long exposure to the U.S. equity market via equity index instruments when expected returns are positive and maintains short exposure when expected returns are negative.

The strategy has also attracted investor interest outside of Finland. "It's great to see how well the fund has been received by institutional clients," says **Claes Siegfriids**, Head of International Sales at Mandatum Life, who points out that the fund's investor base features Swedish investors. The fund's S share class, which is reserved for institutional investors only, generated an annualized return of 9.3 percent since launching in February of 2016. Mandatum Life Slim Tail US Long/Short Equity delivered a positive return in each of the past four years, including 2018.

Ville Rantanen has been working at Mandatum Life since October 2010 and has over ten years of experience in finance. He has been managing Mandatum Life Slim Tail US Long/Short Equity Fund and Slim Tail World Equity Fund since 2017. Matti Suominen, who has developed systematic strategies together with Lauri Vaittinen for nearly 20 years, is a Professor of Finance at Aalto University and had previously worked at INSEAD and Wharton. Vaittinen, meanwhile, serves as a Senior Vice President of Investment Solutions at Mandatum Life, having previously worked as Chief Securities Officer at a major Finnish pension fund and as a hedge fund manager. Kalle Rinne is responsible for the fund's risk management.

Welcome to the Nordic Hedge Index!