

New AI-Powered Fund on the Arena

Stockholm (HedgeNordic) – Finnish insurance firm Mandatum Life has launched **Mandatum Managed Futures Fund**, an artificial intelligence-assisted fund that seeks to achieve positive absolute returns by investing in liquid futures using a long/short approach. Mandatum Life joined forces with AI-based research platform PROWLER.io to launch the managed futures fund. Mandatum Managed Futures Fund has also joined the Nordic Hedge Index.

According to an announcement, Mandatum Managed Futures Fund “combines human market expertise with probabilistic modelling and reinforcement learning to forecast trends in the financial markets.” Unlike many traditional quant funds that rely on static modelling and historical datasets, the recently-launched fund uses an AI engine to update forecasts continually.

The fund was launched on December 30 and currently manages \$8.1 million in assets from seed investors. The investor base includes two large institutional investors. “The fund serves in particular institutional investors seeking broad diversification into various asset classes and seeking returns in rising and declining markets”, says **Lauri Vaittinen** (*pictured*), Mandatum Life’s Senior Vice President, Investment Solutions.

“Combining probabilistic modelling with reinforcement learning represents a new era for the investment industry,” Vaittinen comments on the launch. “In a world of more efficient markets, we are convinced that combining AI with human decision-making processes will produce an advantage for investors, and we’re excited to be at the forefront of it.”

The artificial intelligence algorithms used by Mandatum Managed Futures Fund lacks human biases and supports the portfolio management team in making better-informed investment decisions. The algorithms feature predetermined operating principles and conditions, which ensures that the investment choices remain within the risk parameters outlined by the portfolio management team. In extensive testing, the AI-assisted strategy powering Mandatum Managed Futures Fund “has performed very competitively in relation to peer funds and indices, showing an ability to benefit from mid- and long-term predictions, even in conditions of significant market volatility.”

“I am excited to show the power of our AI decision engine in helping financial institutions perform well even in the challenging market environment that has become the norm,” comments **Vishal Chatrath**, CEO of PROWLER.io. “Our software is designed to empower Mandatum Life’s portfolio manager to mitigate short-term fluctuations and make well-informed investment decisions that maximise returns from the mid- and long-term trends.”

Welcome to the Nordic Hedge Index!