

# Nordic CTAs Among Few Bright Spots

Stockholm (HedgeNordic) – Nordic CTAs emerged as the only strategy category in the Nordic Hedge Index to post positive returns on aggregate in March. The 16 members of the NHX CTA gained 0.3 percent on average last month, taking the group's performance for the year into positive territory. Despite delivering positive performance as a group, there was wide dispersion in performance among CTAs last month.

Ten of the 16 members of the NHX CTA sub-index posted gains last month. Three of this year's top five performers in the Nordic hedge fund industry are part of the NHX CTA sub-index. **Volt Diversified Alpha**, a Swedish diversified systematic trading vehicle that uses machine learning and fundamental data to capture price moves across markets, was last month's best-performing member of the Nordic Hedge Index with a return of 11.3 percent.

Volt Diversified Alpha gained 22.5 percent in the first quarter of 2020 and ranks as the best-performing hedge fund in the Nordics in 2020. As in the fourth quarter of 2018, "Volt delivered in a difficult period when stock markets fell heavily," CIO Patrik Safvenblad (*pictured*) wrote in a letter to investors. "Markets will always provide surprises but, based on live trading results, we believe our fundamental machine learning approach will continue to deliver, especially in volatile periods."

Trend-following fund **NS Quant**, launched by Finnish asset manager Northern Star Partners earlier this year, was up 10.6 percent last month. Overseen by CIO Markku Malkamäki, Senior Portfolio Manager Kenneth Barner-Rasmussen and analyst Markus Malkamäki, NS Quant gained 11.6 percent since going live in February this year.

The fund suite managed by Finnish systematic asset manager Estlander & Partners rounded up the top five best performers. **Estlander & Partners Alpha Trend** advanced 6.2 percent last month, taking the performance for the first quarter to 8.4 percent. **Estlander & Partners Freedom**, meanwhile, was up 4.3 percent in March. **Estlander & Partners Glacies**, a futures-based cross-asset multi-factor vehicle launched in February last year, followed suit with a monthly gain of 3.3 percent. As Martin Estlander, who founded Estlander & Partners in 1991, previously explained HedgeNordic, "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."

Based on figures from eight of the 16 members of the NHX CTA, Nordic CTAs edged up as a group in the first half of April. **RPM Galaxy**, a multi-CTA fund that invests in a group of large and established CTA managers, gained 2.5 percent month-to-date through April 15. Systematic trend-following fund **Lynx (Sweden)** advanced 1.7 percent during the same period. **IPM Systematic Macro Fund**, a systematic and fundamentals-focused macro strategy, was up 1.5 month-to-date to April 14. **Lynx Constellation**, another systematic vehicle run by Lynx Asset Management, gained 1.0 percent in the first half of April.