

Equity HFs Enter Positive Territory

Stockholm (HedgeNordic) – After two quarters of head-spinning market moves, Nordic equity hedge funds ended the first half of 2020 up 0.4 percent on average. Equity hedge funds gained 1.8 percent in June (90 percent reported), which brought the group's average return for the second quarter to 9.5 percent.

Global equity markets gained 1.9 percent in Euro terms in June, cutting the year-to-date losses to 6.3 percent. Markets started the month of June strongly, but the mood changed mid-month after a fairly downbeat economic assessment from the U.S. Federal Reserve and growing fears of a possible second wave of the coronavirus pandemic.

The VINX All-Share Index, which includes all the firms listed on Nasdaq OMX Nordic Exchanges and Oslo Børs, delivered a net return of 1.1 percent in Euro terms in June, which reduced the year-to-date decline to 4.6 percent. Eurozone equities rose 5.0 percent last month, while North American stocks advanced 1.3 percent in Euro terms. Eurozone equities are down 11.8 percent year-to-date, while North American equities ended the first half of the year down only 2.8 percent.

Both European and global equity hedge funds trailed their Nordic counterparts in the first half of 2020. The EurekaHedge Long Short Equities Hedge Fund Index, which tracks the performance of about 900 global equity hedge funds, gained an estimated 2.1 percent last month based on reported data from 17 percent of index constituents. This group was down 1.8 percent in the first half of the year. Another EurekaHedge index comprised of 162 European equity hedge funds was up an estimated 1.1 percent last month based on reported data from 22 percent of index constituents. The EurekaHedge Europe Long Short Equities Hedge Fund Index was down 3.9 percent in the first half of the year.

The dispersion between last month's best- and worst-performing equity hedge funds in the Nordic Hedge Index slightly decreased month-over-month. In June, the top 20 percent of funds gained 6.3 percent on average, whereas the bottom 20 percent lost 1.5 percent on average. In May, the top 20 percent gained 8.0 percent on average and the bottom 20 percent was down 1.2 percent on average. Three in every four members of the NHX Equities enjoyed gains during the month of June.

Managed by Andreas Aaen out of the Danish region of Aalborg, long/short equity fund **Symmetry Invest** was last month's best-performing Nordic hedge fund with a gain of 10.1 percent. The Danish fund was up 54.6 percent in the second quarter to shave its year-to-date decline to 5.1 percent. Activist investor **Accendo Capital** advanced 9.4 percent last month, taking the performance for the first half of 2020 to 25.4 percent. Accendo was the second-best performing member of the Nordic Hedge Index in the first half of 2020.

Adrigo Small & Midcap L/S, a stock-picking hedge fund looking for long and short opportunities in the Nordic small- and mid-cap segment, was up 8.4 percent in June, bringing its year-to-date performance in positive territory at 3.3 percent. Long-biased small-cap-focused long/short equity fund **Alcur Select** rose 8.4 percent in June and is up 23.4 percent year-to-date through the end of June. Energy transition-focused **Proxy Renewable Long/Short Energy**, meanwhile, gained 5.7 percent last month, which brought its 2020 performance further into positive territory at 16.2 percent.

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