

Second AuAg Fund: Good to Go

Stockholm (HedgeNordic) – After launching silver-focused equity fund **AuAg Silver Bullet** under his own boutique in late 2019, former hedge fund manager Eric Strand (*pictured*) has just received the green light from the Swedish Financial Services Authority (Finansinspektionen) to launch a second fund. **AuAg Precious Green**, set to be launched within the next two to three weeks, will allocate 60 percent to equities within the green-tech sector and 40 percent to gold and other precious metals.

The soon-to-be-launched fund represents a modified version of the classic 60-40 stock-bond combo. “We are replacing the 60 percent exposure to global equities with ownership in companies that offer products and services contributing to a green world and its electrification,” Eric Strand tells Realtid.se. “In addition, we are replacing the bond portion with exposure to precious metals, with the main focus on gold,” he continues. The equity portfolio will consist of 20 companies, with each holding accounting for three percent of the fund’s entire portfolio. The remaining portion will be invested in securities offering exposure to the price of gold and other precious metals, rather than public companies active in precious metal mining.

AuAg Silver Bullet, possibly “Sweden’s riskiest fund” according to Strand, gained over 100 percent since the end of this year’s first quarter through August 18 to bring the year-to-date advance to 38.5 percent. Comparing the soon-to-be-launched fund with AuAg Silver Bullet, Strand tells Realtid.se that “first and foremost, it is a mixed fund with clearly lower risk and very little, if any, overlap.” Strand reckons that the difference between the portfolio composition of AuAg Silver Bullet and AuAg Precious Green “makes both funds good to own.”

Both funds charge investors an annual management fee of 1.4 percent and charge no performance fees. “It will be the same fee structure for our upcoming third and final fund that is scheduled to be launched in 2021,” Strand tells Realtid.se. “We maintain a fixed fee structure where we are not affected if or when our investors move their capital between the funds in our range.” According to Strand, “we feel that all our funds suit all investors and their broader portfolios.”