

Time to Share the Upside

Stockholm (HedgeNordic) - In early 2016, Swedish asset manager Atlant Fonder launched three new hedge funds charging investors zero performance fees. After meeting their risk-return expectations over the subsequent years, Atlant Fonder has now introduced a performance-based fee of ten percent on returns exceeding the 90-day Swedish treasury bills. Atlant Fonder has also decided to merge two hedge funds employing similar investment strategies.

In January 2016, Atlant Fonder launched **Atlant Opportunity**, **Atlant Protect** and **Atlant Multi-Strategy**. Atlant Opportunity, a market-natural fund employing equity, fixed-income and derivative strategies, and Atlant Protect, a vehicle designed specifically to protect against market crashes, had both been charging an annual management fee of one percent and no performance fees. Atlant Multi-Strategy, a fund of funds mainly investing in Atlant Fonder's own hedge funds, had been charging a management fee of only 0.2 percent.

"Almost five years later, we see that they have been well received by the market and met the expectations for risk and return," Atlant Fonder writes in an announcement. "We are now harmonizing the fee structures of our funds." Starting from the beginning of September, "a performance-based fee will be introduced in the funds of 10 percent of the return that exceeds the comparison rate SSVX 90-days." Atlant Fonder's other hedge funds - **Atlant Sharp**, **Atlant Edge**, **Atlant Stability** and **Atlant Stability Offensiv** - all charge an annual performance fee of 20 percent.

Fund Merger

In a separate press release, Atlant Fonder announced the merger between **Atlant Stability Offensiv** and **Atlant Opportunity**. "Atlant Opportunity and Atlant Stability Offensiv are both actively-managed mutual funds by nature with a similar investment strategy and risk profile," writes Atlant Fonder. "In order to streamline our offering and reduce administrative costs, we have decided to merge Atlant Stability Offensiv into Atlant Opportunity."

The merging fund, Atlant Stability Offensiv, had SEK 279 million under management at the end of June, while Atlant Opportunity was the asset manager's second-largest fund with SEK 1.56 billion under management. Finansinspektionen, the Swedish Financial Supervisory Authority, approved the merger on August 12, with the merger expected to take place on November 17.

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