

# Yet Another Good Summer for CTAs

Stockholm (HedgeNordic) – Nordic CTAs posted their best month in three years in July, taking the group's average performance for the year back into positive territory. The NHX CTA was up an estimated 3.8 percent in July (88 percent reported), which brought the year-to-date performance to 1.2 percent.

After broadly withstanding the market turmoil in March, Nordic CTAs struggled to capture cross-asset market moves in the subsequent months. The month of July, however, turned out to be the best month for the group since October 2017. Some CTAs profited from the rally in precious metals and the weakening of the U.S. dollar, while others gained from long positions in technology-heavy stock indices. 14 of the 17 members of the NHX CTA posted gains for July. Two members of the group have yet to report July figures.

Systematic trend-following fund **Lynx (Sweden)**, last year's best-performing member of the NHX CTA, was last month's best-performing CTA in the Nordics with a gain of 7.5 percent. Lynx (Sweden), which was down 0.3 percent for the first seven months of 2020, enjoyed profits across all asset classes. According to a letter to investors, "in equities, long positions in technology-heavy indices were particularly profitable as the sector continued to prove to be particularly resilient."

**IPM Systematic Currency Fund**, a vehicle that trades liquid instruments in developed and emerging market currencies, closely followed suit with a gain of 7.3 percent for July. The winner of the "Best Nordic CTA" category at this year's edition of the Nordic Hedge Award is down 2.4 percent year-to-date through the end of July. **RPM Galaxy**, a multi-CTA fund that invests in a group of large and established CTA managers with at least \$500 million under management, advanced 6.8 percent in July, cutting its year-to-date loss to 7.6 percent.

**Volt Diversified Alpha**, a diversified systematic trading vehicle that uses machine learning and fundamental data to capture price moves across markets, gained 5.6 percent last month to bring its year-to-date advance to 30.6 percent. The Volt Program powering Volt Diversified Alpha profited from the rally in precious metals and the weakening of the U.S. dollar. The fund overseen by CIO Patrik Safvenblad out of Stockholm currently ranks as the third best-performing hedge fund in the Nordics in 2020.

**IPM Systematic Macro Fund**, a systematic and fundamentals-focused macro strategy not relying on trends traditional CTA managers seek to exploit, rounded up the list of top five performers with a gain of 4.5 percent in July. The flagship strategy managed by Swedish systematic asset manager Informed Portfolio Management (IPM) was down 6.4 percent in the first seven months of the year.

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