

Frost Closing to New Money (Again)

Stockholm (HedgeNordic) – The youngest member of the Brummer & Partners family, Frost Asset Management, has closed off its fixed-income relative value fund to new investments after raising an additional SEK 1.5 billion during the month of September. The fund managed by several members from the former team of the now-closed Nektar will have SEK 4.3 billion under management after the latest round of subscriptions.

Launched on January 2, **Frost** was closed to new investors at end of January after reaching SEK 2.5 billion in assets under management, which the team believed was the optimal size to start with. On August 27, Frost Asset Management decided to re-open Frost for new subscriptions as market conditions for the fund improved. “On 29 September 2020, Frost Asset Management AB, which is an authorized AIF manager for Frost, decided to close Frost for new subscriptions. Shortly after the opening, Frost reached a total of SEK 4.3 billion in assets under management, which corresponds to Frost’s optimal management volume,” writes an announcement.

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“Frost is closed for new subscriptions and will be kept closed as long as the fund’s assets under management correspond to the optimal management volume,” according to the same announcement. “The re-opening was directed towards existing investors and they expressed great interest,” Martin Larsén, the CIO of Frost, tells HedgeNordic. “It is rewarding and inspiring to notice such a strong demand for our niche investment product.” Brummer & Partners’ flagship multi-fund vehicle **Brummer Multi-Strategy**, which had SEK 30 billion under management at the end of August, had a 3.5 percent-allocation to Frost at the end of the summer.

Frost is a fixed-income relative value fund investing in government, covered and municipal bonds across Scandinavian markets, primarily focusing on Sweden. Frost, run by an investment team led by Martin Larsén and Anders Augusén, returned 10.6 percent since launching at the beginning of 2020 through mid-September. The performance has been mainly attributable to three main themes that emerged as a result of the measures taken by governments and central banks in response to the COVID-19 pandemic.