

Oldest Danish Hedge Fund Shuts Down

Stockholm (HedgeNordic) - The longest-running Danish hedge fund has shut down after more than 17 years of operations. **C WorldWide Long/Short Fund**, most recently managed by David Rindegren (*pictured*) of independent asset manager C WorldWide Asset Management, was wound down last month after suppressed market volatility stemming from central bank interventions has made lower risk, lower return funds focused on downside protection less attractive to investors.

"The prolonged time-period of central bank suppressed volatility has made investors not wanting to invest in products that provide returns at a lower volatility level and downside protection," portfolio manager David Rindegren wrote in a monthly letter to investors. "If stock markets only can go up, then paying an extra fee for downside protection does not make sense," he added. "Only the future will tell for how long central banks can keep us in this one-way-market."

C WorldWide Long/Short Fund, which has been relying on C WorldWide's stock-picking methodology of combining a top-down trend-based view with a bottom-up selection approach, accumulated a negative return of 3.7 percent over the past five years. The fund's inception-to-date track record, however, has been impressive despite the recent weaker performance. C WorldWide Long/Short Fund delivered an annualized return of 6.6 percent since launching in mid-2003 through mid-September this year, achieving an inception-to-date Sharpe ratio of 0.75. The fund gained 3.8 percent year-to-date through mid-September after incurring a minor loss of 0.6 percent in March.

Rindegren, who joined C WorldWide Asset Management from Handelsbanken Asset management in mid-2014, remains at the asset manager following the closure of the fund. "I am moving on to a new role with the organization, leading and coordinating a new team of analysts," Rindegren wrote in the monthly letter to investors. "As markets are implicitly asking investors to take a longer view - focusing on the long-term winners, no matter what markets will look like, will be even more important."