

Hamiltonian Hits Milestone

Stockholm (HedgeNordic) – After a rocky start to its journey in 2018, **Hamiltonian Global Credit Opportunities** hit the ground running in early 2019 and never looked back. The credit-focused hedge fund founded and co-managed by Sean George has now reached \$100 million under management after delivering a Sharpe ratio of 1.5 over the past 24 months.

“We got off to a rocky start in 2018 which was very frustrating,” Sean George (*pictured*), Chief Investment Officer at Strukturinvest Fondkommission, tells HedgeNordic. “We then reevaluated the strategy and made changes both to the investment team and the investment process,” he continues. “From January 2019 and forward, the fund has operated as a long/short credit fund and the performance has been more stable and the drawdowns less severe in both depth and duration.”

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Hamiltonian Global Credit Opportunities (Hamiltonian GCO) returned about seven percent for 2019 and advanced an additional 5.1 percent year-to-date through the end of November. The fund’s advance of 10.9 percent in the past 24 months combined with low volatility in returns led to a trailing 24-month Sharpe ratio of 1.51. “2019 and 2020 have been very strong years in terms of risk-adjusted performance, which even lead to us being shortlisted in the 2020 HFM EuroHedge Emerging Manager Awards,” says George.

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The strategy revamp that led to Hamiltonian GCO’s resurgence was facilitated by the other senior portfolio manager of the fund, Jesper Brantberg. “Jesper joined the team at the end of December 2018 and helped with setting up the new infrastructure to support the renewed investment process,” says George. The strategy benefited from Brantberg’s background as a quantitative portfolio manager, trader and developer with a previous focus on market-neutral strategies. “Due to our different backgrounds, we complement each other very well and our different approaches work very well together.”

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AUM Milestone and 2020 Snapshot

With performance gains piling up and fresh capital flowing in, Hamiltonian GCO has now reached \$100 million under management. “Reaching \$100 million is a key metric for searches, so we are clearly pleased to have reached that level,” George comments on the milestone. “We have some

great investors in the fund, who have continued to add to their holdings, and we have also gotten some international players starting to asking questions," he adds. "In May of 2021 we will also hit the three-year mark as far as our track record goes, so we hope that 2021 will truly be our year."

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Whereas 2021 is filled with promise for the team running Hamiltonian GCO, 2020 is turning out to be a solid year too, given the circumstances. "We would summarize our year as stable considering the times of stress that we have seen in 2020," says George. "We have been able to maintain both our risk and return target throughout the year," he emphasizes. "We came into the year bullish on risk assets only to take an abruptly negative stance in February due to the increasing cases of Covid-19."

"The first phase included shorting China-exposed names alongside names that were depended on China for their supply chains," says George. "In the second phase we added to our existing position of out-of-the-money (OTM) puts on the S&P, we also added payers on Itraxx Xover (i.e. a put on European high-yield) and we also significantly grossed down the portfolio and had a significant cash position," he elaborates. According to George, "these decisions put us in a good position going into March."

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"We started the month up 50 bps only to end up down 1.87 percent for the month mainly due to hedges coming off too early," George points out. "Our drawdown was rather short, and on June 2nd, we were back at our highwater mark. We have had a steady march up performance-wise, the fund is currently up 5.56 percent for the year."