

# Stop the Count!

Stockholm (HedgeNordic) – Nordic equity hedge funds are on pace for their best year since 2015 after gaining 4.7 percent on average in November (90 percent reported), the group's second-best month on record since 2005. The group gained 10.3 percent year-to-date through November. Exactly half of the 50 equity hedge funds in the Nordics outpaced the 9.5 percent advance of the MSCI World Index in the first 11 months of 2020, with those 25 funds returning 26.6 percent on average.

Global equity markets gained 10.1 percent in Euro terms last month, as market participants reacted favourable to the progress of potential Covid-19 vaccines and the outcome of the U.S. Presidential election. Global equities are now up 4.3 percent in Euro terms year-to-date through the end of November. Eurozone equities surged 17.2 percent in November to cut the year-to-date decline to two percent, while North American stocks gained 8.8 percent in Euro terms last month. North American equities advanced 8.8 percent in Euro terms in the first 11 months of 2020. The VINX All-Share Index, which includes all the firms listed on Nasdaq OMX Nordic Exchanges and Oslo Börs, delivered a net return of 12.3 percent in Euro terms in November, taking the year-to-date return to 13.7 percent.

European and global long/short equity funds performed equally strong during the month of November. The Eurekahedge Long Short Equities Hedge Fund Index, which tracks the performance of over 850 global equity hedge funds, gained 6.5 percent last month based on reported data from 17 percent of index constituents. This group advanced 11.7 percent year-to-date through the end of November. Another Eurekahedge index currently comprised of 145 European equity hedge funds was up an estimated 3.7 percent last month based on reported data from 23 percent of index constituents. The Eurekahedge Europe Long Short Equities Hedge Fund Index is up 1.9 percent this year through the end of November.

The dispersion between last month's best- and worst-performing equity hedge funds in the Nordic Hedge Index increased sharply month-over-month, as the magnitude of gains for top performers significantly surpassed the magnitude of losses for bottom performers. In November, the top 20 percent of funds advanced 12.6 percent on average, whereas the bottom 20 percent lost 2.1 percent on average. In contrast, the top 20 percent gained 2.6 percent on average in October and the bottom 20 percent was down 4.6 percent on average. About four in every five members of the NHX Equities with reported November figures enjoyed gained last month.

## Last Month's Top Performers

**Sissener Canopus**, a Norwegian bottom-up stock-picking fund founded by Jan Petter Sissener, was last month's best-performing member of the Nordic Hedge Index with a gain of 17.3 percent. Sissener Canopus registered its best month on record to bring the year-to-date performance to 8.1 percent. "The performance of Sissener Canopus in November was broad-based and largely attributed to how we have been positioning the portfolio based on a constructive market view that post-U.S. election and post an announcement of an effective Covid-19 vaccine, we should get a reflationary market," according to Bjørn Tore Urdal, who runs Sissener Canopus alongside Jan Petter Sissener.

Danish long/short equity fund **Symmetry Invest** closely followed suit with an advance of 17.1 percent, which brought the fund's 2020 performance further into positive territory at 24.4 percent.

Managed by founder Andreas Aaen and Henrik Abrahamson, Symmetry Invest has joined the list of top ten best-performing hedge funds in the Nordics in 2020.

**Incentive Active Value Fund**, a long/short equity fund employing a high-conviction value investing approach, was up about 14.0 percent last month to take its year-to-date performance in positive territory at 9.3 percent. Energy transition-focused **Proxy Renewable Long/Short Energy** gained 12.1 percent in November to extend the year-to-date gains to 66.6 percent. Long/short equity fund **Coeli Absolute European Equity**, founded and managed by Mikael Petersson out of Malmö, was up 11.6 percent last month to bring the 2020 performance further into positive territory at 15.6 percent.

## 2020 Top Performers

With a year-to-date advance of 78.8 percent, thematic-focused long/short equity fund **St. Petri L/S** currently ranks as this year's best-performing hedge fund in the Nordics. The fund managed by Michal Danielewicz and Jens Larsson out of Copenhagen is closely followed by **Proxy Renewable Long/Short Energy**, which is up 66.6 percent year-to-date through the end of November. **Alcur Select**, a long-biased small-cap-focused equity hedge fund managed by a team with Wilhelm Gruvberg, gained 56.9 percent in 2020.

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