

Equity HFs Best Year Since 2009

Stockholm (HedgeNordic) – Nordic equity hedge funds gained an average of 4.1 percent in December (90 percent reported) to bring the group's 2020 performance to 15.1 percent, capping off their best year since 2009. Last year was the second-best year on record for Nordic equity hedge funds since HedgeNordic started tracking the industry in 2005.

As reflected by the FTSE World, global equity markets rose by 3.9 percent in local-currency terms last month and 14.4 percent for the year. In Euro terms, global equity markets rose 2.4 percent in December and 6.7 percent for 2020. Eurozone equities, meanwhile, gained 2.1 percent in December to end 2020 almost flat. On the other hand, North American equities advanced 10.2 percent in Euro terms for 2020 after gaining 1.7 percent in December. The VINX All-Share Index, which includes all the firms listed on Nasdaq OMX Nordic Exchanges and Oslo Börs, delivered a net return of 2.9 percent in Euro terms in December, taking the full-year return to 18.0 percent.

Based on preliminary estimates, Nordic equity hedge funds slightly trailed their global peers in 2020 but significantly outperformed their European counterparts. The Eurekahedge Long Short Equities Hedge Fund Index, which tracks over 800 global equity hedge funds, was up 3.9 percent last month based on reported data from 24 percent of index constituents and 16.4 percent for the year.

European long/short equity funds, as expressed by the Eurekahedge Europe Long Short Equities Hedge Fund Index, gained 3.0 percent in December based on reported data from 30 percent of index constituents and gained 6.8 percent over 2020.

The dispersion between last month's best- and worst-performing NHX Equities members slightly decreased relative to the prior month. In December, the top 20 percent gained 11.4 percent on average, whereas the bottom 20 percent lost 0.8 percent on average. In November, the top 20 percent was up 12.6 percent, and the bottom 20 percent was down 2.1 percent. About six in every seven members of the NHX Equities with reported December figures posted gains last month.

Last Month's Top Performers

Activist fund **Accendo Capital** was last month's best-performing member of the Nordic Hedge Index with a return of 19.8 percent. Last month's advance brought the fund's 2020 return to 69.3 percent, catapulting Accendo in the list of last year's best-performing funds in the Nordic Hedge Index. 2020 was Accendo's best year on record since launching in early 2008, eclipsing the fund's previous record of 49.1 percent reached for 2015.

Symmetry Invest, a long/short equity fund founded and co-managed by Andreas Aaen out of Aalborg in Denmark, was last month's second-best performing equity hedge fund in the Nordics with a return of 12.9 percent. The fund ended 2020 with a return of 40.4 percent after incurring a loss of about 37 percent in March. Meanwhile, **Nordic Cross Small Cap Edge** advanced 12.1 percent in December to bring the performance for the year at 29.1 percent.

Adrigo Small & Midcap L/S, a small- and mid-cap-focused stock-picking hedge fund now under East Capital's umbrella, followed suit with a return of 11.5 percent in December. The fund managed by Staffan Östlin gained 43.6 percent last year, currently ranking among last year's top ten best-performing hedge funds in the Nordics. Thematic-focused equity fund **St. Petri L/S** advanced 10.9 percent in December to reach a full-year return of 98.3 percent for 2020. The fund managed by

Michal Danielewicz and Jens Larsson out of Copenhagen was last month's best-performing hedge fund in the Nordics.

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