

Three-Year Milestone for Danske HFs



Stockholm (HedgeNordic) - Two of Danske Bank Asset Management's hedge funds are celebrating their three-year anniversaries this month. **Danske Invest Fixed Income Global Value**, part of the asset manager's suite of fixed-income hedge funds, now oversees €862 million in assets after delivering an annualized return of 10.4 percent since June of 2018. The other hedge fund reaching a three-year track record, **Danske Invest Global Cross Asset Volatility**, has delivered an annualized return of 3.6 percent since inception.

Danske Invest Fixed Income Global Value primarily focuses on liquid global bonds and fixed-income products such as government bonds, government-sponsored bonds and mortgage bonds. Danske Invest Global Cross Asset Volatility, which has €207 million in assets under management, seeks exposure to volatility risk premia embedded in equities, fixed income, credit and currencies around the globe with a focus on developed markets.

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"The first three years have undoubtedly been eventful from a market point of view," says Jacob Øland Jensen, who manages Danske Invest Global Cross Asset Volatility. "The coronavirus crisis, in particular, created some violent market

fluctuations where strategies had to stand the test of time,” he continues. “Our fixed strategies in combination with our tactical, ad hoc strategies were seriously tested, and they proved their worth.” The fund managed by Jensen gained about 6.0 percent in 2020 and advanced an additional 6.2 percent in the first five months of 2021. The team had to optimize the fund’s investment strategy after struggling to perform as expected in its first few months of operations.

Danske Invest Fixed Income Global Value, which has a more global focus compared to the other two fixed-income hedge funds under the umbrella of Danske Bank Asset Management, returned 12.8 percent last year after gaining 11.6 percent in 2019. The fund is up an additional 4.5 percent in the first five months of 2021. Danske Bank’s range of fixed-income hedge funds currently has €2.5 billion under management.

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“Danske Bank Asset Management’s team of hedge fund managers was a major contributor to our fund getting off to such a good start,” says Anders Møller Lumholtz, who manages Danske Invest Fixed Income Global Value. “When we launched Danske Invest SICAV - SIF Fixed Income Global Value three years ago, the head of hedge funds, Michael Petry, ensured that we were integrated with the existing team of hedge fund managers,” he continues. “Thus, we could draw on their experience and vast knowledge. At the same time, we have benefited from having access to some of the industry’s strongest risk analysts, led by Per Søgaard.”