

Month in Review - July 2021

Stockholm (HedgeNordic) – Whereas July marked the first month of industry-wide average negative returns for the global hedge fund industry in 2021, Nordic hedge funds marched ahead with an average gain of 0.5 percent for the month (92 percent reported). After pulling off their best first-half performance since 2009, Nordic hedge funds are now up 4.8 percent for the first seven months of 2021.

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All five strategy categories within the Nordic Hedge Index enjoyed gains last month, with multi-strategy funds leading the gains. The multi-strategy category, the most diverse and inclusive category in the Nordic Hedge Index, was up 0.9 percent in July, partly driven by the strong performance of Nordea's three-member Alpha fund family. Nordic CTAs advanced 0.7 percent on average to extend the group's advance for the year to 2.8 percent.

Both equity hedge funds, this year's strongest-performing strategy group in the Nordic Hedge Index, and fixed-income hedge funds edged up 0.3 percent on average last month. Equity hedge funds ended the first seven months of 2021 up 7.1 percent, whereas fixed-income vehicles are up 1.9 percent for the year. Funds of hedge funds gained 0.5 percent on average in July to bring their 2021 performance to 4.4 percent.

At a country level, the Norwegian hedge fund industry gained the most in July, with its 18 members advancing 1.0 percent on average. Norwegian hedge funds within the Nordic Hedge Index ended the first seven months of the year up 8.0 percent on average. Danish hedge funds, meanwhile, gained 0.9 percent last month to take the group's performance for the first seven months of 2021 to 5.3 percent. Swedish hedge funds, which account for the largest portion of the Nordic hedge fund industry, edged up 0.2 percent on average last month to extend their 2021 advance to 3.1 percent. Finnish funds were up 0.4 percent in July to end the first seven months of the year up 7.9 percent.

The dispersion between last month's best- and worst-performing members of the Nordic Hedge Index remained rather unchanged month-over-month. In July, the top 20 percent of Nordic hedge funds gained 3.8 percent on average, while the bottom 20 percent lost 2.6 percent. In June, the top 20 percent were up a similar 3.8 percent on average and the bottom 20 percent were down 2.8 percent. About two in every three members of the Nordic Hedge Index with reported July figures posted gains for the month.

Top Performers in July

Calgus Fond, a long-biased long/short equity fund run by Gustaf von Sivers and Carl Urban, was last month's best-performing member of the Nordic Hedge Index with a monthly advance of 11.8 percent, which was the fund's largest monthly gain on record. "It is our three large holdings that have pulled away," Gustaf von Sivers tells Swedish business magazine Dagens Industri (DI). Calgus Fond is now up 30.6 percent for the first seven months of 2021. Long/short equity fund **Coeli Absolute European Equity**, founded and managed by Mikael Petersson out of Malmö, was up 5.9 percent in July, bringing the fund's 2021 advance to 28.1 percent.

Norwegian long/short fundamental equity fund **CARN Latitude** followed suit with a monthly advance of 5.8 percent for July, which brought the fund's 2021 performance back into positive

territory at 4.8 percent. Nordea's **Alpha 15 MA Fund**, the most aggressive member of its Alpha family, gained 5.5 percent in July to take the performance for the first seven months of 2021 to 13.4 percent. Meanwhile, long-biased small-cap-focused equity hedge fund **Alcur Select** gained 5.0 percent in July to take its 2021 performance to 13.7 percent.

The Month in Review for July 2021 can be downloaded below:



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