

Resolute Investments & Universal Investment launch equity fund

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The newly established fund advisor Resolute Investments & Universal Investment have launched equity fund Resolute European De-Risked Equities UI.

The fund aims to achieve a stock-like return in the medium term with significantly reduced risk – independent of the overall market. It invests in a concentrated equity portfolio of currently 24 European securities, with between 50% and 100% of the market risk hedged with market index futures. The stock selection and dynamic hedging strategy strictly follows a systematic approach.

Marco Willner, co-founder of Resolute Investments commented: “Our high concentration is unusual for both a quantitative manager and a market-neutral approach. However, our analyses repeatedly show that a high concentration offers significantly more potential than broader portfolios. If you focus on high concentration, you also have to break new ground when it comes to hedging.”

The degree of hedging in the fund depends on the economy, monetary policy and market trends. Corresponding indicators show where the market cycle is. The hedging strategy aims to reduce market risk by up to 80%.

Through hedging, the fund is largely decoupled from the market, and rather insists that stocks with positive characteristics in the four areas of valuation, quality, growth and defensive profile perform better than the market.

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Ridhima Sharma speaks German and is DACH Correspondent for InvestmentEurope. She has more than 8 years of experience in the media industry. Before joining us, she was working in India and covering automotive and lifestyle sectors. Over the years many of her stories have been published in various magazines across India.

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