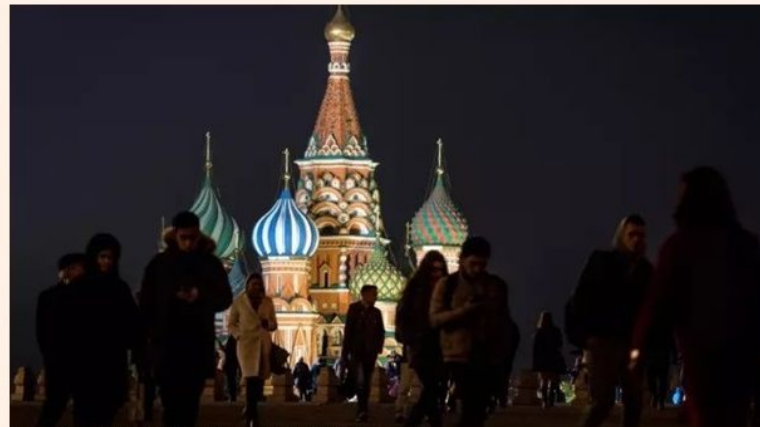


Europe's top hedge funds: quiet yet so efficient

Sometimes it is the low-profile companies that make big money



The Spring and UFG hedge funds both focus on Russia © Mladen Antonov/AFP

They are the hidden gems of the European hedge fund industry. Frequently overshadowed by the sector's big names, many of these funds have a laser-like focus on a particular sector or country — but their returns speak for themselves.

Preqin, the data provider, sets benchmarks for three-year and five-year annualised returns, of 4.98 per cent and 6.3 per cent respectively, derived from mean annual returns for managers based in Europe.

The top performers beat these by up to five times. A business caring for people with spinal injuries and Scandinavian small-caps are among the companies that propel them into the ranks of Europe's top-performing [hedge funds](#). They are standouts in a sector that has grown rapidly.

European hedge fund managers held €587bn in assets at the end of March. They grew almost 10 per cent last year after a torrid 2016 in which the industry was hit by outflows.

We took a closer look at the top five performers in the three-year and the five-year periods using data supplied to FTfm by Preqin. All have assets of at least \$100m, the minimum amount at which a hedge fund can be viable, according to Preqin. All have significantly outperformed the benchmarks set by the data provider.

Top performing Europe-based hedge funds of \$100m or more

3-yr annualised returns (as at Mar 31 2018)

Name	Fund manager	3-yr annualised net return (%)
Specialised Russian Growth Fund	Spring	21.98
Montreux Healthcare Fund - Class D1 GBP	Montreux Capital Management	21.46
Kairos Pegasus - E1	Kairos Investment Management	21.34
UFG Special Situations Fund	UFG Asset Management	16.29
Pharo Africa Fund - Class A Series 1	Pharo Management	14.64
Pharo Gaia Fund - Series 1 Class A Shares	Pharo Management	13.79
The Children's Investment Master Fund - Class H - USD	The Children's Inv. Fund Mgmt	13.23
Hellebore Credit Arbitrage - A Share - EUR	Hellebore Capital	12.26
Lansdowne Energy Dynamics Fund - USD Non-Restricted B Class Non-Voting	Lansdowne Partners (UK)	12.21
Clareant Global Special Situations Fund	Alcentra	11.81

Top performing Europe-based hedge funds of \$100m or more

5-yr annualised returns (as at Mar 31 2018)

Name	Fund manager	5-yr annualised net return (%)
Rhenman Healthcare Equity Long Short Fund - IC2 SEK	Rhenman & Partners Asset Management	27.12
The Children's Inv. Master Fund - Class H - USD	The Children's Investment Fund Management	19.44
Astra Structured Credit Inv. Fund	Astra Asset Mgmt UK Ltd	18.52
Taiga Fund - Class A - NOK	Taiga Fund Management	16.50
Trias L/S Fund - EUR Class	Entrepreneur Partners	15.91
Pharo Gaia Fund - Ser 1 Class A Shares	Pharo Management	15.44
Pharo Trading Fund - Ser 1 Class A Shares	Pharo Management	13.84
Bestinver Hedge Value Fund	Bestinver Asset Management	13.68
Alegria ABS I (Euro) Fund	Alegria Capital	13.66
SR Global Fund - Frontier Portfolio - Class M	Sloane Robinson	13.43

Source: Preqin
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Astra

Based close to the Bank of England, Astra Asset Management was founded in 2012 and describes itself as a "specialist credit manager". The Astra Structured Credit Investments Ltd Fund has returned a net 18.52 per cent on a five-year annualised basis. Astra said it "implements relative-value arbitrage strategies across asset classes both in the US and Europe, with a focus on corporate and mortgage-backed credit".