

Meet the Energy Funds That Made Money While Oil Fell

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- ▶ Landsdowne Partners's energy fund gained about 15% in 2015
- ▶ CTA Red Rock up 31% last year, half due to energy bets

The plunge in oil prices has dragged down much of the energy sector with it. Yet, some energy-focused hedge funds managed to avoid the carnage entirely.

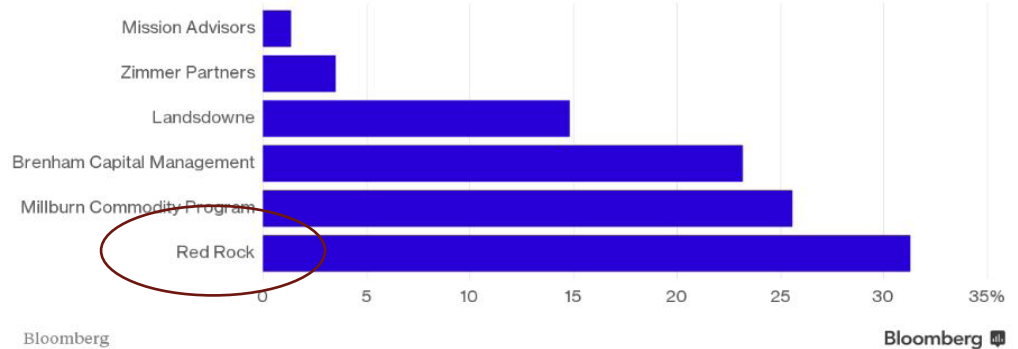
Landsdowne Partners gained 15 percent last year, according to an investor letter obtained by Bloomberg. The fund is familiar with the market, having been in existence for more than 25 years.

Shorting Strategies

One of the most successful strategies in commodities is shorting. A fund gained 31.3 percent last year, while global demand for oil capacity' and 'significant new supply' are set to enter. The London-based firm, Andrew Capital Management, manages \$45 million.

Rare Winners in Energy

These firms had energy hedge funds that posted gains last year even as the price of oil tumbled



Shorting strategies helped some commodity trading advisers post double-digit returns last year. Red Rock Capital's long-short systematic commodity strategy gained 31.3 percent in 2015, according to an investor letter obtained by Bloomberg. Half of last year's profits were generated by short positions in energy futures such as crude oil, natural gas, gasoline and heating oil, Thomas Rollinger, managing partner and chief investment officer, said in an e-mail.

The \$100 million Millburn Commodity Program gained 25.4 percent last year, according to a person with knowledge of the matter. The quantitative fund got about half of its returns from energy bets, according to Barry Goodman, co-chief executive officer of Greenwich, Connecticut-based Millburn Edgefield Corporation, which manages \$1.4 billion.