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The Swedish quant outsider beating the best

Elite Investor Anton Kristiansson tells Citywire Elite Companies how he moved from classic value investing to become a self-taught quant.

BY **MILES COSTELLO**

At the risk of walking on to a philosophical minefield, it's hard not to conclude that **Anton Kristiansson** was born to end up where he has.

As a fund manager, he specialises in quantitative analysis, rifling though the data inputs and outputs of an automated computer-driven investment model. He built the model himself from scratch, beginning when he was a student.
But he didn't study computer science. Nor did he plough his way through the library of textbooks designed to train budding young 'quants'.

Brought up in rural Sweden, the son of a farmer, the young Kristiansson didn't even consider a career in fund manager until he was well into his academic studies.
'It was not a thing you become where I'm from. I grew up in the countryside. My dad was a farmer, just a hired farmer, and everyone around me was working at the factory. It was like, trying to become an astronaut or something,' he said.

Yet Kristiansson developed a model – an upgraded version of which he still uses today – that would help catapult him into the echelons of the world's best-performing fund managers.

He is an Elite Investor, among the top 3% of the more than 10,000 equity managers tracked by Citywire. The fund he runs, Simplicity Småbolag Global, has outperformed its benchmark in four out of the past five years, the exception being 2023 as the wild market swings sparked by the global pandemic began to normalise.

Kristiansson is ahead of the market

Five-year total return

Source: Morningstar • USD total returns

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Kristiansson's model also helped him get his first job, at the investment firm Simplicity AB in Varberg, in 2015, though he said it was his enthusiasm for the subject that sealed it. He has been there ever since.

Collecting clues

There are some clues, to Kristiansson's unlikely career path. His father and grandparents were avid buyers of shares in Sweden's listed companies. He used to listen, rapt, as they discussed their holdings during family get-togethers.

Sweden's investment world was also buzzing during his childhood; it was the run-up to the dot-com boom and there was even a public-service TV programme dedicated to buying and selling stocks. Inspired, and keen to understand more about how companies work and make their money, he joined an investment club as a teenager.

Kristiansson then began to develop a taste for some of the most storied value investors: Warren Buffett, Peter Lynch, Howard Marks. 'I wanted to have an investment style like they had, like more classic qualitative analysis,' Kristiansson said.

'But also, as I learned valuation models I tried to apply them, so I read about the companies, tried to find companies with a lower [intrinsic] valuation than they were trading at. But I just felt like it took so long.'

Perhaps he just didn't want to wait. Impressed by the quality of questions he'd read in transcripts of company earnings calls, Kristiansson began to build his fledgling computer model to assess analysts' forecasts as well as traditional valuation metrics. Gradually, more quantitative factors – including price volatility and momentum – were added.

He took the model with him to his new job at Simplicity, itself driven as an investment firm by the quantitative approach, to developed it further.

Top 10 holdings

Name	Elite Companies rating	F'cst price-earnings ratio	F'cst dividend yield
EVS Broadcast Equipment (BE:EVS) – 1.2%	AA	11.3	3.5%
EnerSys (US:ENS) – 1.2%	AAA	8.1	1.2%
Konecranes (FI:KCR) – 1.1%	AAA	13.6	2.8%
Byline Bancorp (US:BY) – 1.1%	AAA	9.6	1.6%
Dorman Products (US:DORM) – 1.1%	AAA	15.5	–
Transcontinental (US:TCLAF) – 1.1%	AA	8.1	5.7%
SkyWest (US:SKYW) – 1.1%	AAA	10.1	0.1%
Thermon (US:THR) – 1.1%	AAA	14.0	–
Coway (KR:021240) – 1.1%	AAA	10.8	2.9%
OneSpan (US:OSPN) – 1%	AA	11.0	–

Source: Holdings as of 30 Apr 2025, FactSet data as of 27 May 2025. Forecasts based on next 12 months.

Bypassing behaviour

Kristiansson tries to ensure his model avoids and exploits the traps linked to investors' behavioural biases – falling hook, line and sinker for a company's growth story, for example, or indiscriminately selling during periods of market panic.

'The approach that I use if very influenced by psychology and behavioural biases. I think it's what drives the outperformance in the fund,' Kristiansson said. 'I think many suboptimal decisions in investing, but also in other areas, stem from these biases. What I tried to find when I developed the model was different characteristics that make certain companies underappreciated or undervalued, because of some kind of connection to the biases that we have.'

In practice, then, Kristiansson tends to screen based on four measures: quality, value, risk and performance, all scored, weighted and applied differently based sector and geographical position.

‘Quality and value, or profitability and value, that’s the main part of the analysis. But then I also think that if I only stuck to these factors I would get a lot of junk - companies that look very profitable and are very cheap, but they might be cheap for a reason. Classic value traps,’ Kristiansson explained.

‘So then I bring in metrics for risk, and also for performance. So these four areas are important for all companies, all investments that I make. But then some companies score higher on the performance metrics and then they are allowed to score a little bit lower on the quality, value metrics for example.

‘Companies that look very cheap to me are allowed to score a little bit lower on the risk analysis for example. So I get a little bit of a mix,’ he said.

Kristiansson’s starting point is the constituents of the fund’s reference index, S&P Global Small Cap, which are then screened to remove larger companies, those whose shares are particularly illiquid, and sectors he has chosen to avoid on environmental, social and governance grounds.

Small-cap kings

Launching a global small and midcap fund in 2018 was Kristiansson’s idea. ‘It’s a very underappreciated fund category in Sweden. For some reason, people invest in global funds, but they invest in large caps; they also invest in small caps, but only Swedish small caps,’ he said.

‘I thought the fund category was too small for what it was. I thought it was a good universe; lots of different companies, and you get that extra return; at least, historically small caps have higher returns than large caps. Plus, you get this global diversification.

‘For me, it was also a factor that the small-cap universe is less efficient than the large cap universe. The bigger companies just have lots of eyes on them, analysts, the media, investors; so they should on average have valuations closer to fair value,” he said.

Profiting from discomfort

In order to avoid his own biases – he thinks he is innately conservative, for example – Kristiansson has a strict set of rules governing when he buys or sells shares. He also doesn’t override his model’s investment recommendations, even if they go against his instincts (though he will double check company news, charts and media reports).

'The best investments I have made have been those that have made me uncomfortable. There should be something that makes me a little bit uneasy about the company. That's a good sign. So I don't override [the model], but I sleep badly sometimes," Kristiansson said.

It is a rather daring approach, and one that has led him into some contrarian positions, and a few companies where he's been unsure about what its 'secret sauce' is. Among his most successful investments, for example, was several years ago going very long on the US housing market when many other investors were selling out.

He has also done very well with positions in **e.l.f. Beauty** (US:ELF), the fast-growing US cosmetics group, and noodles maker **Samyang Foods** (KR:003230). In Elf's case, he couldn't explain the growth, and with Samyang Foods, the investment case for buying into noodles seemed far from clear.

True to form, he thinks the market falls and volatility that have been sparked by President Trump's tariff wars have been 'a good opportunity to buy value'. At least, the model said so.

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