



NORRON
STOCKHOLM | OSLO

MONTHLY REPORT – SELECT

April 2018

Historical return (%)

	jan	feb	mar	apr	maj	jun	jul	aug	sep	okt	nov	dec	year
2018	0,13	-2,81	-3,00	6,46									0,50
2017	-0,7	-0,4	-1,8	1,4	-0,5	-1,5	1,8	-3,9	6,2	2,7	-3,8	4,4	3,6
2016	-4,3	1,4	0,4	3,0	1,0	-1,2	3,0	0,4	3,7	0,8	2,1	1,0	11,4
2015	2,3	4,2	0,5	2,7	-0,7	-3,1	1,5	-3,2	-2,1	2,7	4,3	1,8	11,0
2014	1,3	4,7	0,5	1,9	3,3	1,6	-0,9	-1,2	-1,9	-0,7	1,4	0,6	11,0
2013	2,4	0,4	-0,8	1,6	2,8	-1,3	4,3	0,7	2,4	3,7	2,2	2,5	22,8
2012	1,3	3,8	-0,1	-0,2	-4,6	-2,6	0,5	1,2	1,7	-0,5	0,8	1,6	2,6

April

	April	YTD	Inception
Total Return (%)	6,46%	0,50%	73,9%
5YR CAGR (compounded annual growth rate)	N/A	N/A	11,4%
3YR CAGR (compounded annual growth rate)	N/A	N/A	5,4%
Correlation vs MSCI Nordic*	0,5	0,7	0,6
Avg. 90D Volatility	8,2%	7,7%	7,4%
5Y Sharpe Ratio	N/A	N/A	1,5

* Bloomberg

Theoretical Sensitivity

Equities +10%	7%
Equities -10%	-3%
Volatility +50%	2%
Volatility -50%	-2%
Credits -150bps	1%
Credits +150bps	-1%

Positive Contributions (%)

1	Norwegian Air Shuttle ASA	1,86
2	Infant Bacterial Thera. AB	1,63
3	Atlantic Sapphire ASA	1,25
4	IAR Systems AB	0,82
5	AKER ASA	0,82

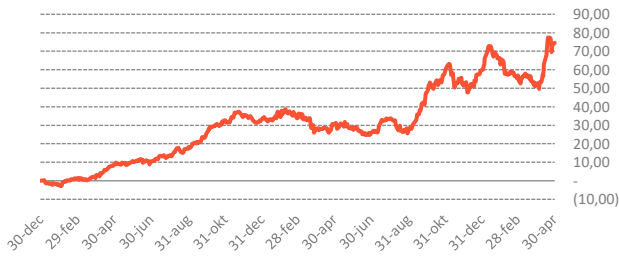
Negative Contributions

1	BWLPG ASA	-0,38
2	Cxense ASA	-0,36
3	Protector Forsikring ASA	-0,36
4	Atlas Copco AB	-0,32
5	Nolato AB (short)	-0,26

If you have any queries or require additional information, please contact ir@norrn.com



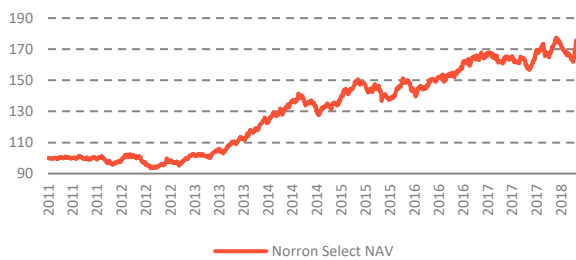
Equity Alpha



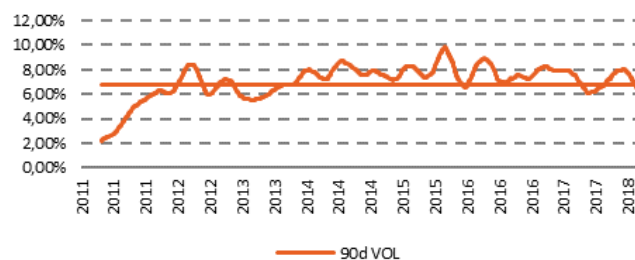
Performance since 2017



NAV Price



Volatility (90days)



Fund Manager's comment:

In April Norron Select gained 6,5% to a volatility of 8,2% while MSCI Nordic increased 5,73% with a volatility of 14,5%. Alpha for Select was 11% and the directional contribution was flat.

The Alpha was mainly driven by a bounce back from our positions in the small caps where we saw that the negative flow in the sentiment has abided and this shows that when the tide turns we do hold some interesting companies. SEB research initiated coverage on IBT with a "buy" recommendation and that attracted interest since it is the first written research on the company. We have made a new investment in a company named Sedana, another biotech company.

Also worth commenting on is our best performer Norwegian Air Shuttle (NAS). We participated in a new share issue in the company and that was well perceived in the market. NAS has been under pressure all year to some extent due to worries of a new issue, so again, when it actually happened, the negatives turned to positives and the stock started to perform.

After a couple of days we argued that this company, due to its high leverage, could move significantly upwards and create a short squeeze in the market, so the only thing it could not really do was park @ 185. We decided to change our exposure to long dated call options and sell our shares. This strategy turned out to be a success due to the fact that IAG, the parent company of British Airways, invested in the share issue and expressed interest in a takeover which sparked a massive rally in the shares. It's important to mention that there are other bidders around. We have secured some profits by rolling the strike to 300 (from 220).

When this was written we have seen the majority of the Q1 reports, with good results in engineering but pretty poor share reactions, mainly due to foreign investors. In the Banking sector we are underweight, and we will remain so.

We have a net exposure of 42% long and are protected on the downside for any major events.

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