



NORRON
STOCKHOLM | OSLO

MONTHLY REPORT – PREMIUM

Jan 2018

Historical Return (%)

	jan	feb	mar	apr	maj	jun	jul	aug	sep	okt	nov	dec	year
2018	0,16												0,16
2017	0,77	0,65	0,40	0,31	0,19	-0,59	0,35	0,23	0,26	0,36	-0,25	0,01	2,70
2016	-1,18	-1,27	2,47	1,57	0,74	0,21	0,91	0,90	0,54	0,79	0,21	0,59	6,60
2015	0,46	0,40	0,05	0,38	0,52	-0,82	0,36	-0,95	-2,09	0,30	0,25	-0,77	-1,91
2014	0,46	0,79	0,33	0,51	0,51	0,43	0,21	-0,21	-0,76	-0,62	-0,41	-1,24	0,00
2013	1,08	0,17	0,63	0,76	0,60	-0,27	0,79	0,73	0,61	0,84	0,55	0,51	7,00
2012								0,99	0,88	0,85	0,48	0,50	3,70

Top 5 Positions

1	Ellevio AB	3,4
2	Telia Co AB	3,1
3	Sirius Intl Grp	2,2
4	Nynas AB	2,1
5	Tele2 AB	2,1

Positive Contributions

1	Solsta	0,06
2	Jyske AT1	0,04
3	Nordea AT1	0,03
4	American Shipping	0,03
5	BWO Offshore	0,02

Negative Contributions

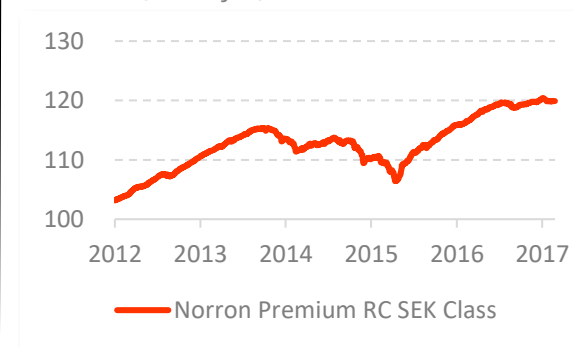
1	Carnegie	0,00
2	Norsk Hydro	0,00
3	Scania	0,00
4	Intrum	0,00
5	Aligera	-0,40

Key Figures January

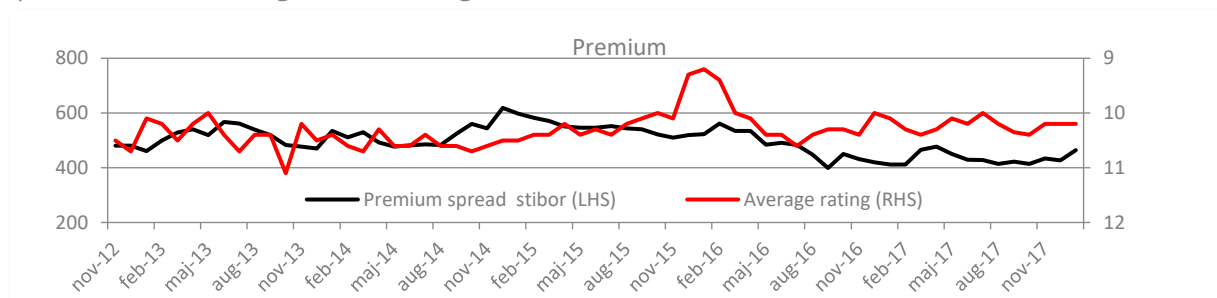
	Current	Last 3 yrs	Since Inception
Std. Dev.		2,8%	2,7%
Correlation (T-Bill)		-0,20	0,09
Positive Month. (%)		81%	79%
Best month (%)		2,5%	2,5%
Worst Month (%)		-2,1 %	-2,1%
Portfolio yield	4,2%		
Avg. Weighted Interest Rate Duration	0,9	1,4	1,2
Credit Duration (years)	2,9	3,3	3,5

* Bloomberg

NAV Price (last 3 yrs)



Spread Stibor & Average Credit Rating

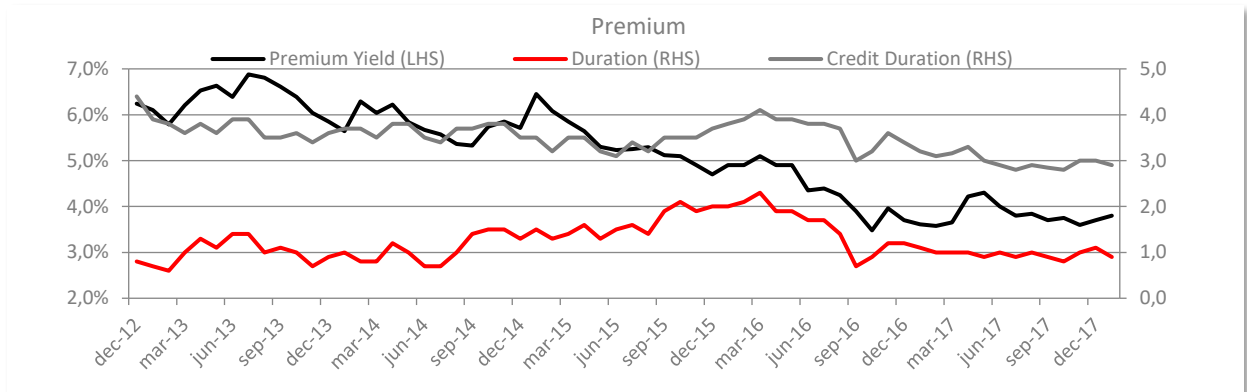


If you have any queries or require additional information, please contact ir@norrn.com

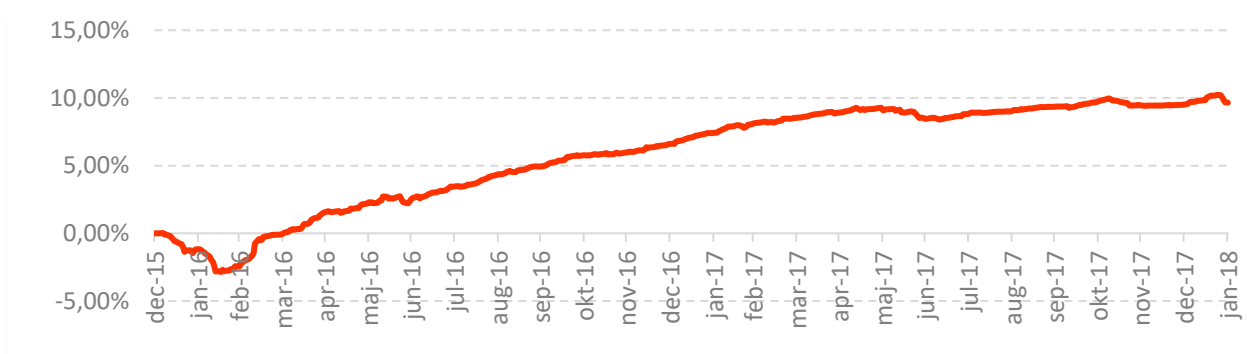


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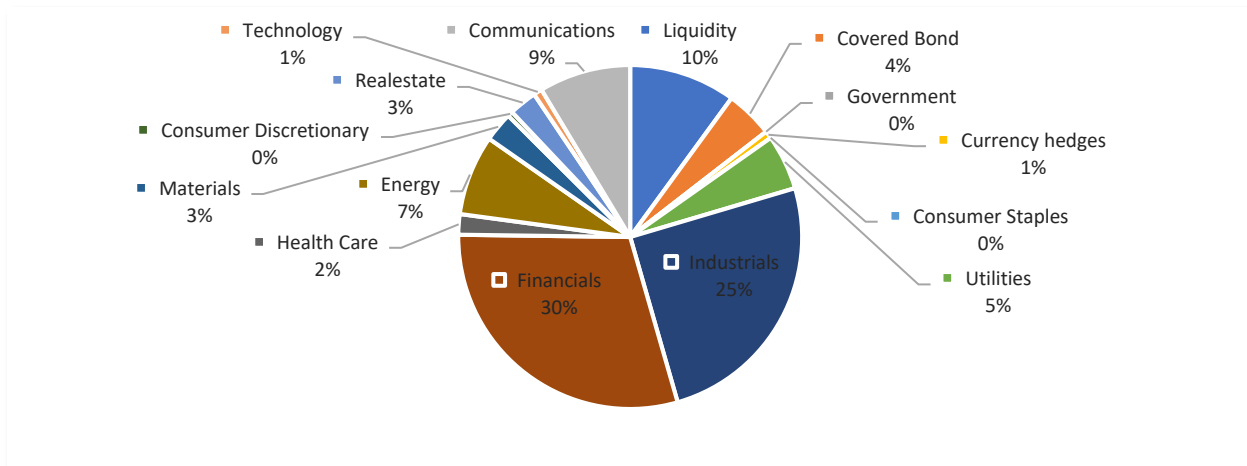
Yield, Duration & Credit Duration



Performance since 2016



Industrial Breakdown



Fund Manager's comment

January offered a good start of the year for risk assets and the flip side of the coin, the treasury bonds markets, were weak, e.g. Swedish treasury bond index was down 0,7 per cent and the 10-year yields in the US, Germany and Sweden increased by 20-40 basis points. Central banks were on the hawkish side, especially ECB and FED. In credit markets we have mainly experienced a strong tone, with tighter spreads in most markets except for EUR high yield spreads, which were unchanged. Inflow into the Swedish credit funds in January pushed Swedish spreads tighter. We are in general not active in the local new issue, since we don't think it offers any value. The US 2-year treasury yield has been rising for some time and is now at 2,1 per cent. If this yield rises too fast, pushed by a more hawkish FED, it can be negative for the US HY markets. We are watching this closely. We have slowly been reducing risk in the funds and will most likely continue that path in an orderly manner.

The fund returned 0,2 per cent in January. We are replacing some local illiquid names with highly liquid euro bonds. The fund is keeping shorter credit/interest rate duration than normal due to valuation in the market.

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