



MONTHLY REPORT – PREMIUM Sep 2018

Historical Return (%)

	jan	feb	mar	apr	maj	jun	jul	aug	sep	okt	nov	dec	year
2018	0,16	0,15	-0,07	0,42	-0,04	-0,07	0,41	0,17	0,29				1,43
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	COMHEM SWEDEN AB	2,7
2	PEAB FINANS	2,5
3	OCEAN YIELD ASA	2,4
4	NETPTUNE ENERGY BOND	2,1
5	INDUTRADE AB	2,1

Positive Contributions

1	Neptune	0,09
2	Enquest	0,07
3	Borr Drilling	0,07
4	Akelius Förlagslån	0,03
5	AINMT	0,03

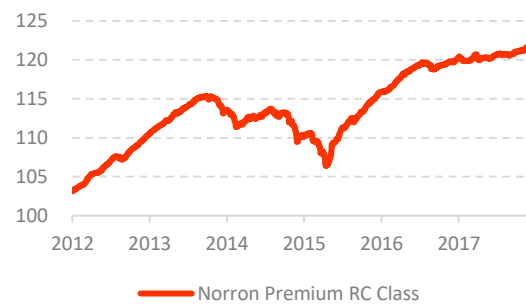
Negative Contributions

1	Danske Bank AT1	-0,05
2	Iceland AIR	-0,04
3	Solsta Offshore	-0,02
4	Danske Bank SNP	-0,02
5	Lowell	-0,02

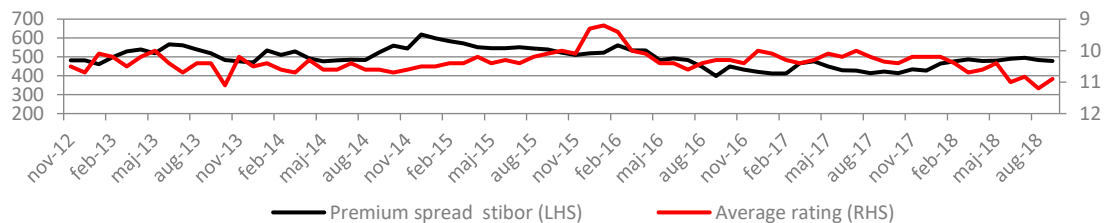
Key Figures Sep

	Current	Last 3 yrs	Since Inception
Std. Dev.		2,3%	2,6%
Correlation (T-Bill)		-0,36	0,11
Positive Month. (%)		78%	78%
Best month (%)		2,5%	2,5%
Worst Month (%)		-2,1%	2,1%
Portfolio yield	4,3%		
Avg. Weighted Interest Rate Duration	1,3	1,3	1,2
Credit Duration (years)	2,8	3,3	3,4

NAV Price (last 5 yrs)



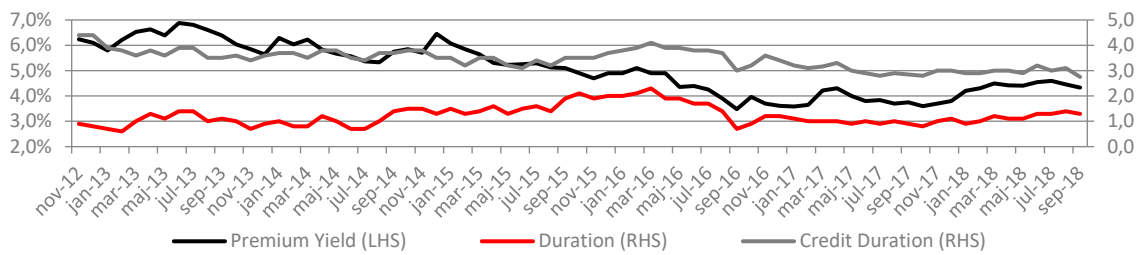
Spread Stibor & Average Credit Rating



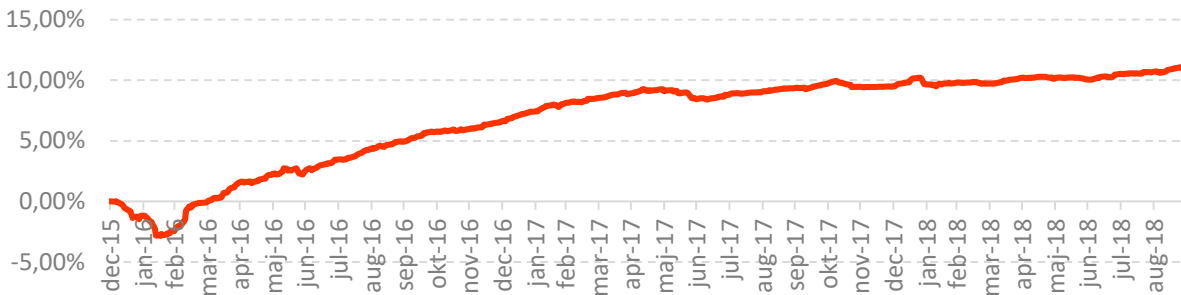
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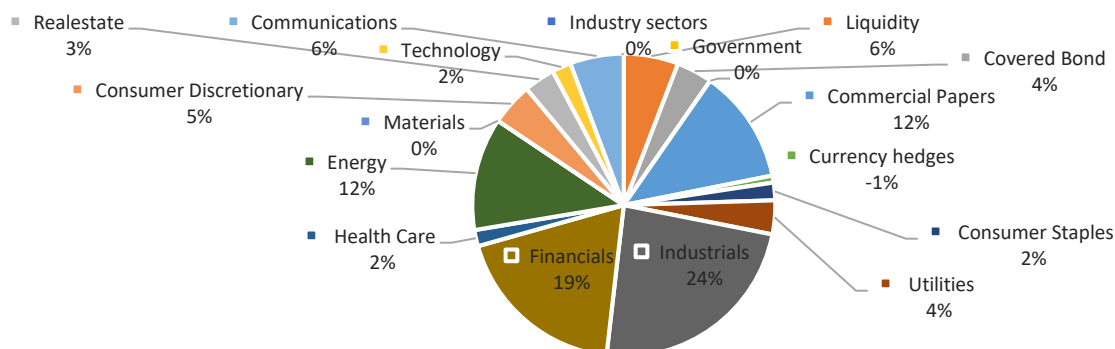
Yield, Duration & Credit Duration



Performance since 2016



Industrial Breakdown



Fund Manager's comment:

Centralbanks were more positive regarding the general macro-economic environment. ECB, Draghi said that he noted a higher CPI going forward. The Swedish Riksbank will probably hike in the end of 2018 or beginning of 2019. The Swedish krona strengthened after the announcement. FED hiked the fed funds rate to 2,00-2,25 percent and Norway central bank did the first hike to 0,75 percent. Equity markets were slightly up except the Danish, which was down 4 percent due to Danske bank's performance, which is also reflected in the Danske bank bonds. Credit market was strong and HY tighten 10-15 bp and the IG 6-8 bp. 10 years government bond yields are up by 15-20bp. Heavy issuance of IG and HY bonds in general, which were well absorbed. We are still cautious regarding the SEK bond market. The spreads are tight and there have not been any outflows like the EUR IG & HY markets.

With reference to the table below, Norron Premium has 22% exposure to the SEK credit market, which implies that 78 per cent of the fund is invested in liquidity, NOK, EUR and USD bonds. The flow risk from the SEK market is reduced. We would also like to highlight that Norron Premium has no investments in real estate developers and 3 per cent invested in real estate.

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

		COUNTRY						
	%	Sweden	Norway	Denmark	Finland	Iceland	Other	SUM
Currency	Liquidity	25						25
	SEK	21		1				22
	NOK		18				3	21
	USD	1	2	1		2	9	14
	EUR	4	3	3	3	1	4	18
	SUM	50	23	5	3	3	16	100

The fund returned 0,29 per cent in September. The main positive contributors were Neptune and Enquest and negative contributors were Danske Bank AT1 and Iceland Air. The fund has shorter credit duration than normal.

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