



**NORRON**  
STOCKHOLM | OSLO

## MONTHLY REPORT – ALPHA RC

Nov 2018

### Historical return (%)

	jan	feb	mar	apr	maj	jun	jul	aug	sep	oct	nov	dec	year
<b>2018</b>	1,1%	-0,2%	-1,0%	0,6%	0,8%	-1,1%	1,5%	-1,1%	2,3%	-2,1%	0,6%		<b>1,2%</b>
<b>2017</b>	0,0%	0,2%	0,3%	0,3%	-0,1%	-0,1%	1,2%	-2,1%	2,5%	-0,2%	-1,1%		4,5%
<b>2016</b>									2,8%	0,4%	0,7%	-0,7%	3,1%

### Key Figures (Nov)

	Nov	YTD
Total Return (%)*	+0,6%	+1,2%
CAGR (compounded annual growth rate)*	N/A	N/A
Volatility	5,4%	5,7%
Average Correlation vs SBX Index	0,0	
Beta vs SBX Index	0,0	
Net Exposure (beta adjusted)	0,0%	
Gross Exposure (beta adjusted)	195%	

\* BETA adjusted for Norron Actives current BETA

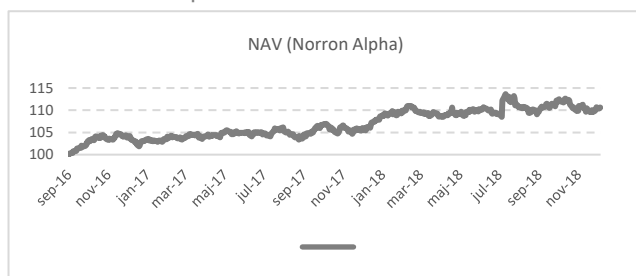
### Positive Contributions

- 1 Essity
- 2 Electrolux
- 3 BioArctic
- 4 Atlantic Sapphire
- 5 Swedbank

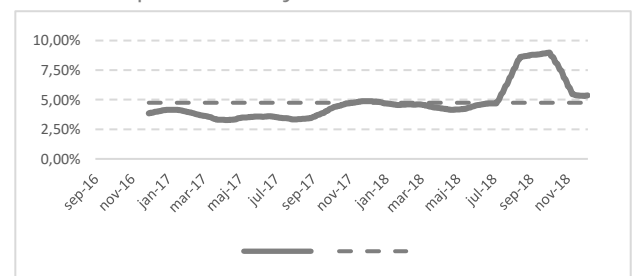
### Negative Contributions

- 1 Aker
- 2 Volvo
- 3 Sandvik
- 4 Kinnevik
- 5 Kindred

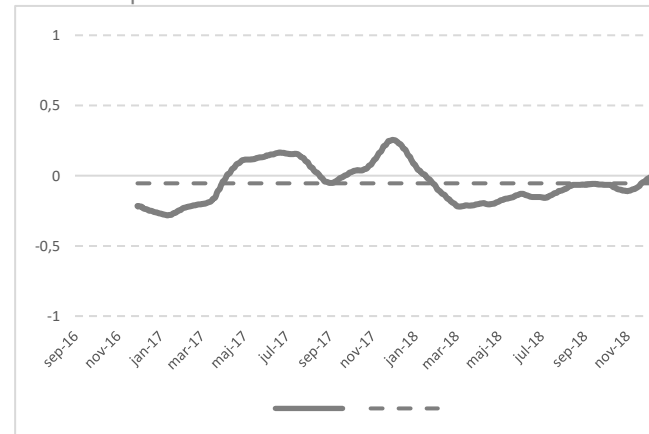
### NAV since inception



### Norrone Alpha Volatility (90d)



### Norrone Alpha Correlation vs SBX Index



### Fund Manager's comment (Norrone Active)

OMX Stockholm Benchmark was down 1,8% during November because of increased uncertainty of where the global economy is heading, Norway had a weak month (down 3,2%) due to the fact that oil fell 20,8%. OPEC has failed to reach an agreement regarding how large the output should be and on top of that there was a lot of unwinding of financial long positions in oil that pressured the commodity even more. We are awaiting some sort of agreement during G20-meeting and especially on the OPEC-meeting on 6 December.

As we have been arguing, November would be a month with higher volatility because of the lack of answers before G20-meeting (end of November) of what the US will do with the proposed increased tariffs against China (from 10% to 25%). The tariffs have been a hot topic during the third quarter reports globally, and the main argument of why profits will not grow as much as the underlying earnings are implying. A solution to this will take down the risk premium on stocks going forward. Another event that has caused some uncertainty has been the Brexit negotiations during November which are still lingering. One positive trend shift during the month was the communication from FED that they will evaluate future rate hikes more closely because of the increased uncertainty if growth will continue in the same pace as before for the country. Rate hikes have been an issue for the market during this fall and the fact that bonds have become a more interesting alternative for an investor in the US, a more modest rate hike curve will lead to stocks becoming an asset that will yield better again compared to bonds.

Norrone Active was down 1,27 % and the SBX index was down 1,83 %. The main positive contributors were Essity, Electrolux, BioArctic, Atlantic Sapphire and Academia and the main negative contributors were Aker ASA, Volvo, Sandvik, Kinnevik and Kindred.

If you have any queries or require additional information, please contact [ir@norrone.com](mailto:ir@norrone.com)



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