



NORRON
STOCKHOLM | OSLO

MONTHLY REPORT – SELECT
Feb 2019

Historical return (%)

	jan	feb	mar	apr	maj	jun	jul	aug	sep	okt	nov	dec	year
2019	0,91	1,6											2,6
2018	0,13	-2,81	-3,00	6,46	2,95	-0,98	5,38	-1,54	3,44	-2,16	-0,39	-2,85	4,1
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

Key Figures Feb

	Feb	YTD	Inception
Total Return (%)	1,64%	2,57%	84,7%
5YR CAGR (compounded annual growth rate)	N/A	N/A	8,0%
3YR CAGR (compounded annual growth rate)	N/A	N/A	8,4%
Correlation vs MSCI Nordic*	0,4	0,4	0,6
Avg. 90D Volatility	7,1%	7,2%	7,2%
5Y Sharpe Ratio	N/A	N/A	0,9

* Bloomberg

Theoretical Sensitivity

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

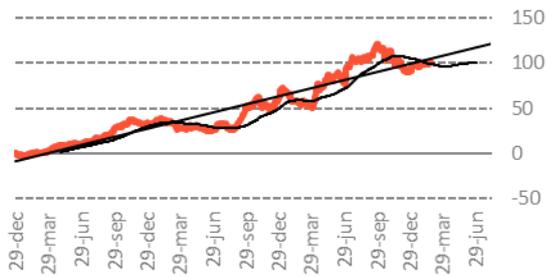
Positive Contributions

1	Xvivo	0,6
2	Nordic Semiconductor	0,5
3	NCAB Group	0,5
4	IAR Systems	0,4
5	BioArctic	0,4

Negative Contributions

1	Kambi	-0,5
2	Swedbank	-0,3
3	Sirius International	-0,2
4	ICA	-0,2
5	Alligator Bioscience	-0,2

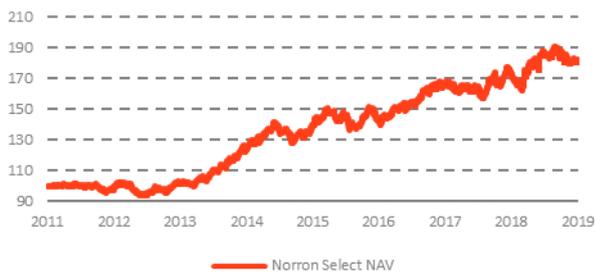
Equity Alpha



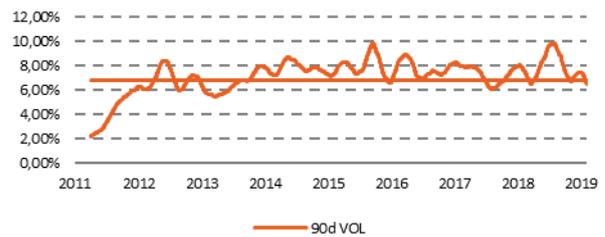
Performance since 2017



NAV Price



Volatility (90days)



Fund Manager's Comment

Norron Select increased by 1,64% with a volatility of 7% (90d annualized), while the MSCI Nordic Index increased by 3,6% with a volatility of 16% (90d annualized). During the month we had a positive alpha in the overall portfolio. The net direction was flat due to the net exposure (beta adj.) being close to flat, except for our core picks. The market is currently kicking the can down the road and global growth is slowing.

In February, the market continued to discount a positive scenario regarding trade talks between United States and China. On the other hand, as said above, we are currently seeing somewhat softer macro figures and leading indicators in Europe, US and in Asia, making the equity environment even more difficult. We believe the market is overbought short term, as we are currently reducing the net exposure (below average) by adding more exposure towards single stock shorts, increasing the volatility in the index short book (buying put options) and also adding volatility towards cyclical long exposure (delta neutral).

Net exposure is below 20% (beta adjusted), and the fund is hedged for any potential set back in the market. Highlighting again, the hedging profile is attractive, including both option strategies and futures.
