

Fund manager's comment:

March was a trickier month for several risk markets, but not for credits. The credit market feels very technical with inflows and investors are chasing risk.

Dovish central banks combined with weaker macro in the beginning of the month made treasury markets very strong with 10-year yield contraction of 25bp in Germany and 35 bp in the US. 3m Libor was higher than the 10-year yield, which caused headlines regarding inverted yield curve. However, the 2yr and the 10 yr US yield did not invert. It is still a warning sign that shall be treated with respect.

The Brexit show is very cumbersome and hard to understand. The new deadline date is Apr 12 and the proposed date in case of a Brexit deal is late May. The only re-assuring thing is that the markets are taking the situation with ease. The different outcomes will be fewer after Apr 12. Hence the probability for a hard Brexit should increase after that date. However, it remains to be seen.

Late in March, some green shoots from the Chinese economy started to show. Will China pull Europe out of the weak growth? Something is

making the risk markets happy. Trade talks between US and China is calmer for now. There is most likely not a final date for the negotiations and hence it will be difference in intensity for an extended period. We must get used to the news flow.

The Nordic new issuance market is strong. We remain cautious to new companies in the bond market. We participated in Ekornes, Volvo Cars and Hexagon. In general, we have reduced some risk and average rating in the fund has improved during the month. The fund did not own any Swedbank bonds and does not own any SEB bonds either.

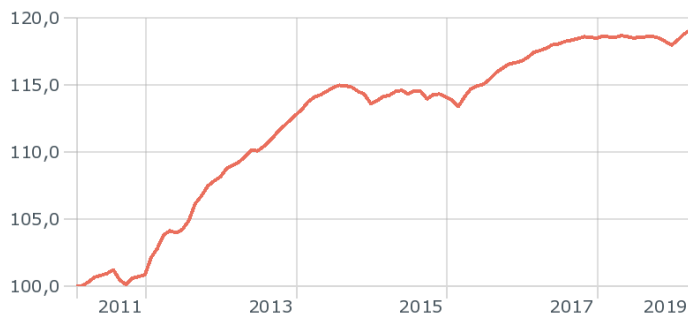
There is now room for negative movements in the credit market compared with the beginning of 2019.

Norron Preserve returned 0,26 per cent in Mars. Largest contributors were Tele2, Islandsbanki and Landsbanki. No large negative movements. We still have strong liquidity in the fund and the credit duration is shorter than average. After 3 strong months, we expect slower performance going forward.

Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	0,34	0,35	0,26										0,95
2018	0,14	-0,05	-0,03	0,12	-0,08	-0,08	0,07	0,02	0,02	-0,10	-0,22	-0,21	-0,41
2017	0,23	0,32	0,12	0,15	0,21	0,06	0,15	0,08	0,10	0,12	-0,03	-0,08	1,45
2016	-0,24	-0,40	0,65	0,51	0,18	0,11	0,34	0,42	0,27	0,27	0,09	0,11	2,34
2015	0,18	0,26	0,10	0,25	0,08	-0,24	0,22	-0,05	-0,48	0,28	0,04	-0,18	0,44
2014	0,38	0,47	0,33	0,16	0,22	0,25	0,15	-0,03	-0,10	-0,27	-0,19	-0,60	0,76
2013	0,58	0,19	0,24	0,38	0,44	-0,05	0,31	0,41	0,47	0,43	0,38	0,39	4,25
2012	1,31	0,63	1,00	0,29	-0,14	0,24	0,63	1,20	0,54	0,70	0,34	0,30	7,25

NAV (Since Inception)



— Norron Preserve R SEK

ISIN	LU0580530409
Inception Date	2011-02-01
Fund Size	2 321 003 573
Base Currency	Swedish Krona
Fund managers:	Jan Törnstrand (head), Peter Werleus

Performance since inception:

Cumulative Return	19,07
Std Dev	1,11
Correlation	0,29
Up Period Percent	75,26
Best Month	1,31
Worst Month	-0,76

End of month:

Portfolio Yield	—
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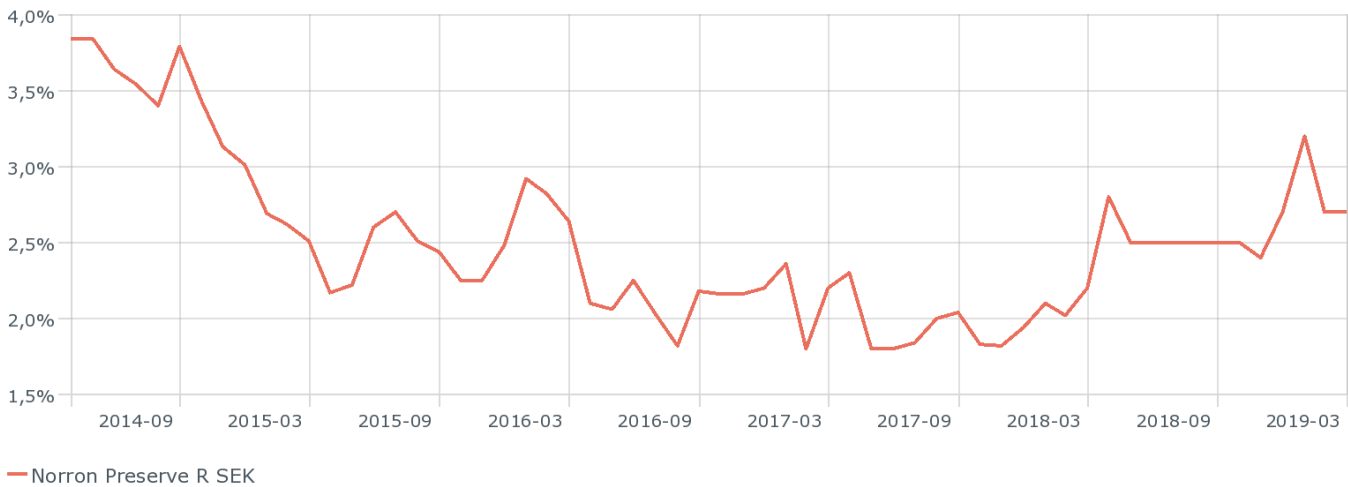
Top Holdings End Of Month

	Portfolio Weighting %
Skandiabanken AB 24.08%	2,22
Swedbank Mortgage AB 12.05%	2,21
Landshypotek Bank AB (publ) 16.1%	2,20
Realkredit Danmark A/S 1.1%	2,19
Aker Bp Asa 2.07%	2,12
Akastor ASA 25.07%	2,01
Heimstaden AB 16.09%	1,97
Telenor ASA 20.09%	1,96
Ship Finance International Limited 22.06%	1,92
Stolt-Nielsen Ltd 8.04%	1,91

Currency Exposure (End Of Month)

SEK	58,0%
EUR	17,5%
USD	5,9%
NOK	20,4%
Other	0,0%

Portfolio Yield



Duration & Credit Duration

