



NORRON
STOCKHOLM | OSLO

MONTHLY REPORT – PRESERVE May 2018

Historical Return (%)

	jan	feb	mar	apr	maj	jun	jul	aug	sep	okt	nov	dec	year
2018	0,14	-0,05	-0,03	0,12	-0,08								0,10
2017	0,22	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

Top 5 Positions

1	Swedbank Hypotek AB	2,2
2	Landshypotek Bank AB	2,2
3	Swedbank Hypotek AB	2,1
4	Realkredit Danmark	2,1
5	Millicom AB	2,1

Positive Contributions

1	Teekay LNG	0,01
2	Stolt Nielsen	0,01
3	Iceland Air	0,01
4	Ocean Yield	0,01
5	Color line	0,01

Negative Contributions

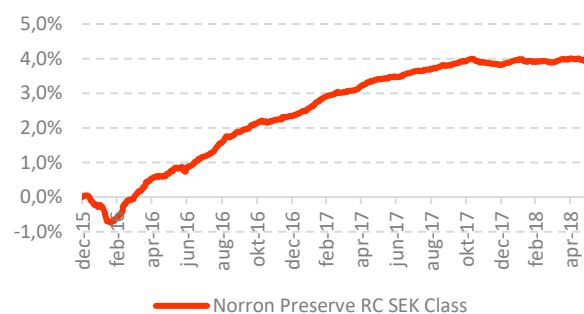
1	Länsförsäkringar	-0,01
2	Neptune	-0,01
3	Jyske At1	-0,01
4	Akelius Förlagslån	-0,03
5	Nordea AT1	-0,05

Key Figures May

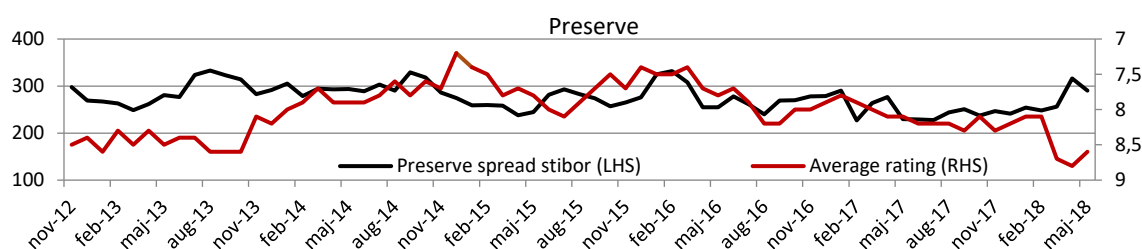
	Current	Last 3 yrs	Since Inception
Std. Dev.		0,8%	1,1%
Correlation (T-Bill)		-0,39	0,22
Positive Month. (%)		75%	83%
Best month (%)		0,7%	1,1%
Worst Month (%)		-0,5%	-0,8%
Portfolio yield	2,2%		
Avg. Weighted Interest Rate Duration	0,50	0,6	0,5
Credit Duration (years)	2,0	2,6	2,7

* Bloomberg

Performance since 2016



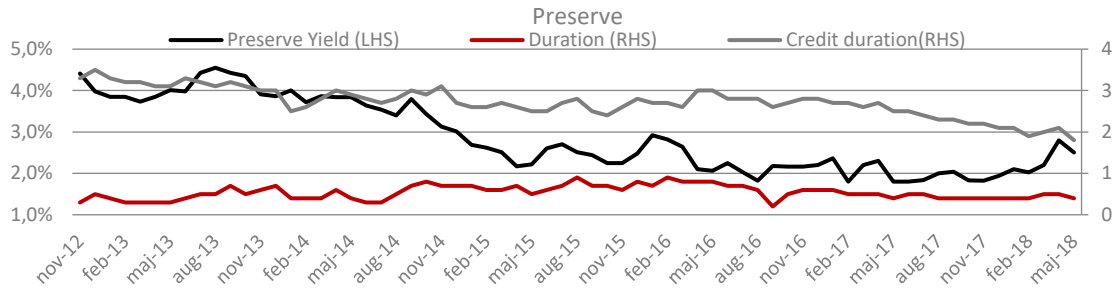
Spread Stibor & Average Credit Rating



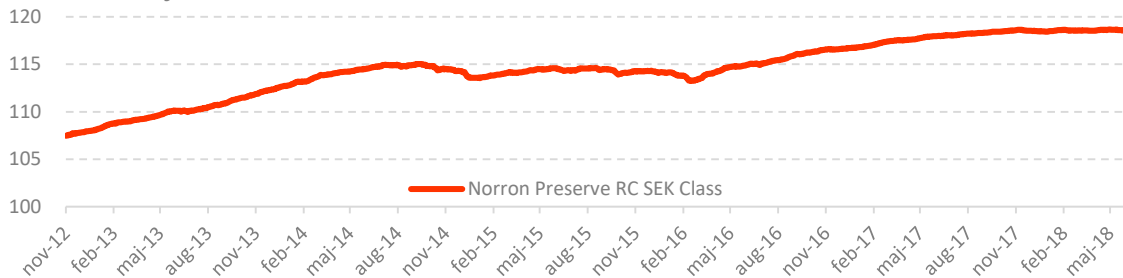
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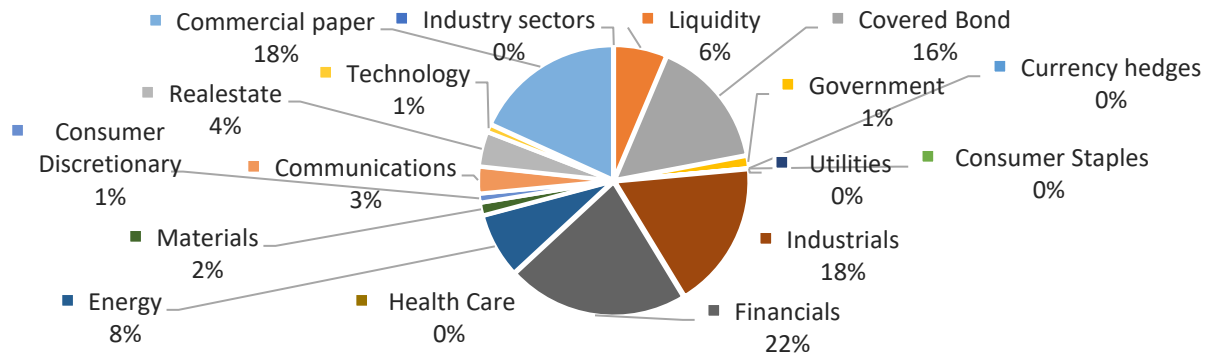
Yield, Duration & Credit Duration



NAV Price (last 5 yrs)



Industrial Breakdown



Fund Manager's comment:

Volatility came back into the markets in late May, mainly driven by Euro centric issues such as those going on in Italy and Spain. Trade talks and new tariffs on import of steel and aluminum to the US were also on the agenda. USD continued strengthening versus other main currencies, which puts even more pressure on emerging markets, especially. Can it be the receding global liquidity support from the central banks that creates this increased volatility? Euro credit spreads widened in May with 56bp in HY and 13bp in IG, for US spreads it was 19bp and 4bp. SEK IG spreads was out 2bp. SEK IG market has outperformed EUR IG spreads with 25bp year-to-date, which is a noticeable difference. The difference in spreads is most likely driven by a change in flow in funds. We continue to be very cautious towards the local SEK.

The fund returned -0,08 per cent in May. Main contributors were Teekay Lng, Ocean Yield and Aker Bp and negative performers were Nordea, Akelius and Jyske Bank. The fund is very liquid and continued to buy commercial paper. 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

