

Report date: 28 June 2024

Fund: Pareto Nordic Corporate Bond
Umbrella fund: Pareto SICAV
Inception date: 22 April 2013
AUM: NOK 18 089 million
Benchmark: n.a.
PRIIPs KID risk score from 1 (low) to 7 (high): 2

Category: fixed income fund
Legal structure: UCITS
Dealing days: all coinciding banking days in Norway and Luxembourg

Domicile: Luxembourg
Management company: FundRock Management Comp. S.A.
Investment manager: Pareto Asset Management AS
Custodian: Skandinaviska Enskilda Banken AB (publ) Luxembourg Branch

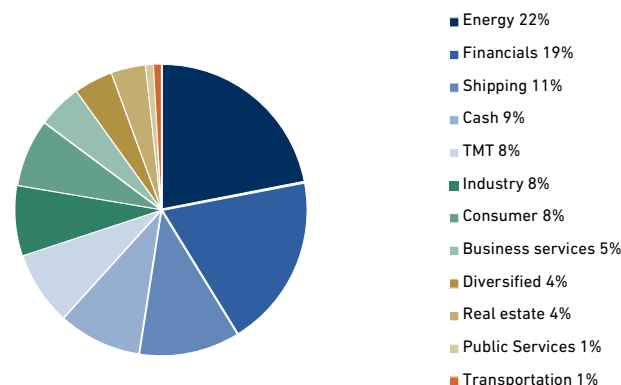
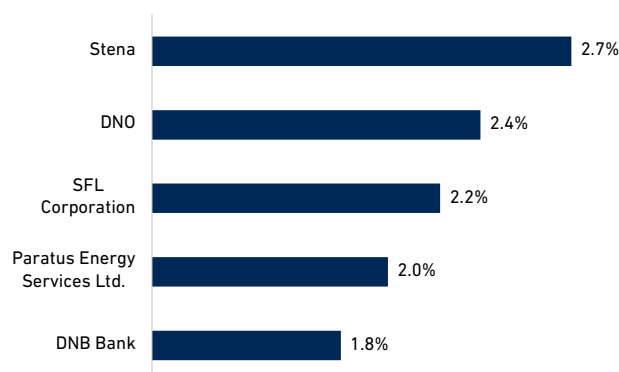
Share class I DIS

Launch date: 24 September 2018
NAV as at 28 June 2024: 994.98
NAV currency: EUR
Minimum investment: 50 000 000
ISIN: LU1861276845
Bloomberg ticker: PANCIDE LX

Corporate bonds with underlying credit risk, exposure primarily to Nordic corporations and financial institutions.

- The sub-fund invests in debt securities issued predominantly by corporations, agencies, governments and municipalities with a presence in the Nordic region
- The debt securities primarily include corporate bonds, but also subordinated, hybrids and convertible bonds. Investments are expected to give the fund a higher risk and return than traditional interest-bearing financial instruments
- The average interest duration shall be between 0 and 4 years

Top five issuers and sector allocation



Key figures since launch

	Fund
Accumulated returns	24.5%
Annualised returns	3.9%

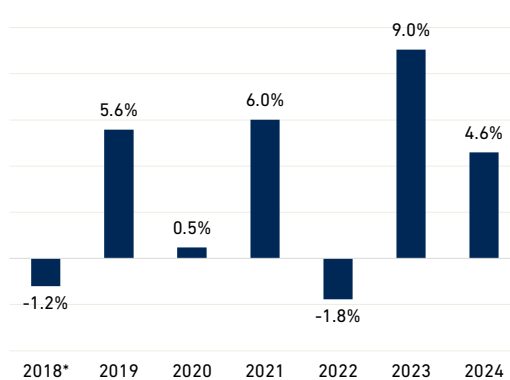
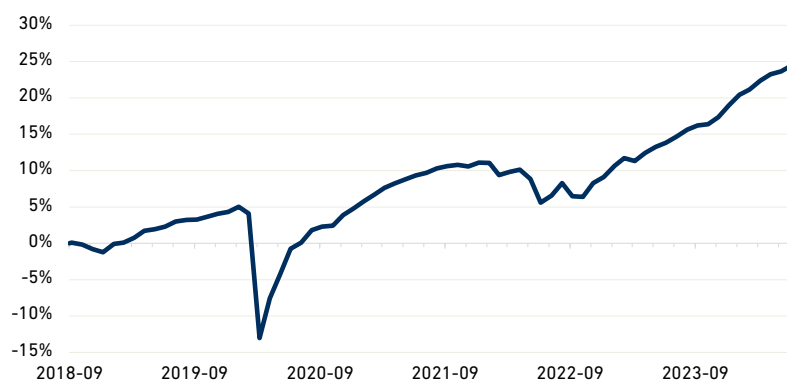
Risk figures

	Fund
Standard deviation (ann.)	8.1%
Average time to maturity	2.6
Interest rate duration	1.0
Credit spread duration	2.0

Performance by periods

	Fund
Last month	0.6%
Year to date	4.6%
Three months	1.7%
Six months	4.6%
Last 12 months	9.4%
Since launch (annualised)	3.9%

Performance history



Monthly net returns in per cent

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2024	1.22	0.58	1.01	0.72	0.33	0.65							4.60
2023	1.41	0.97	-0.38	1.01	0.75	0.48	0.73	0.87	0.50	0.15	0.81	1.40	9.04
2022	-0.02	-1.53	0.40	0.30	-1.15	-3.02	0.95	1.61	-1.69	-0.08	1.78	0.78	-1.77
2021	0.95	0.82	0.89	0.58	0.52	0.49	0.34	0.55	0.30	0.13	-0.18	0.46	6.01
2020	0.70	-0.89	-16.44	6.25	3.69	3.57	0.82	1.72	0.48	0.12	1.45	0.87	0.47
2019	1.13	0.20	0.65	0.96	0.19	0.36	0.67	0.22	0.07	0.39	0.37	0.24	5.58
2018									0.09	-0.28	-0.62	-0.41	-1.21

The Fund is exposed to the following materially relevant risks: credit risk, liquidity risk, currency risk, counterparty risk, operational risk, derivative risk and sustainability risk. Please refer to the Fund's prospectus for further information about the fund's risk exposure. The Fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus. Further information about the sustainability-related aspects of the Fund is available in the SFDR pre-contractual disclosures in the Fund's prospectus and the SFDR website disclosure available on <https://paretoam.com/en/our-funds/>.

*From launch of the share class. All figures are based on internationally recognised standards for publishing performance data. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on, market developments, the portfolio manager's skill, the fund's risk profile, as well as fees for subscription, management and redemption. Returns may become negative as a result of negative price developments. The performance data do not take account of the fees incurred on subscription and redemption of units/shares.

By the portfolio management team: Øyvind Hamre, Thomas Larsen and John Østreim

Primary activity in the Nordic high-yield market was record high in June, with a total issue volume of NOK 32.2 billion, surpassing the previous all-time high of NOK 30.2 billion in March this year. Nine new issuers came to the market in June, out of the 29 issues priced. Issuers were spread across most of the sectors, with energy standing out, representing 35% of the total volume.

Pareto Nordic Corporate Bond participated in three primary issues last month: YIT (engineering & construction), BlueNord (upstream oil & gas), and Norske Skog (paper & packaging). Our existing positions in BlueNord and Norske Skog were sold back to the respective issuers as part of the primary transactions.

June was another strong month for Nordic credit markets, with positive returns. For international markets there was some spread widening, in USD high yield 5 basis points and EUR high yield 30 basis points. Pareto Nordic Corporate Bond's return for the month was driven by coupon carry, as well as strong performance in Ellos Group (consumer) and negative performance in Duett Software Group (IT). The fund exited its position in Duett Software Group. Also, one new issuer was acquired in the secondary market, Paratus Energy Services (energy services).

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