

## Report date: 30 September 2021

Fund: Pareto Nordic Cross Credit  
Umbrella fund: Pareto SICAV  
Inception date: 26 November 2019  
AUM: NOK 3 087 million  
Benchmark: n.a.

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

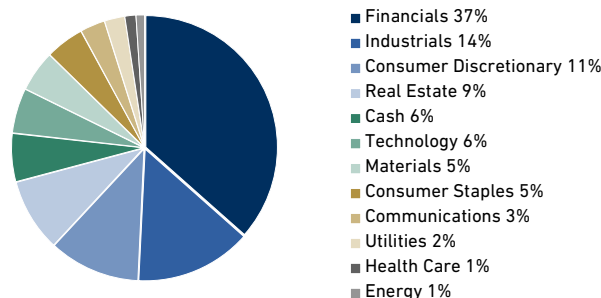
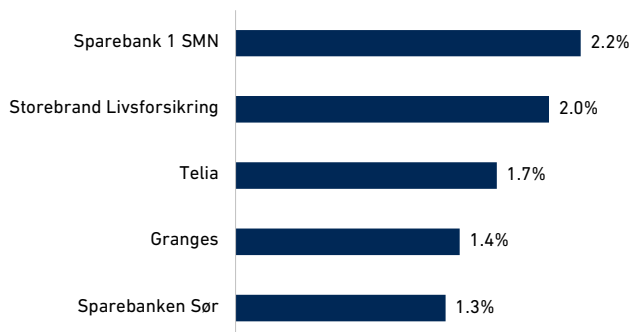
## Share class H

Launch date: 26 November 2019  
NAV as at 30 September 2021: 1 052.53  
NAV currency: NOK  
Minimum investment: 50 000 000  
ISIN: LU2023200079  
Bloomberg ticker: PANCCNH LX

Nordic fixed income fund investing in corporate bonds in a wide range of sectors. Low geopolitical risk and an ESG profile.

- The fund invests in fixed income and fixed income related securities issued by financial institutions, corporations, agencies, governments and municipalities while incorporating ESG criteria into the Fund's analysis and selection criteria
- The debt securities may be rated or unrated and have credit risk corresponding to Investment Grade or High Yield
- The average interest rate duration of the portfolio shall be between 0 and 4 years

## Top five issuers and sector allocation



## Key figures since launch

	Fund
Accumulated returns	5.3 %
Annualised returns	2.8 %

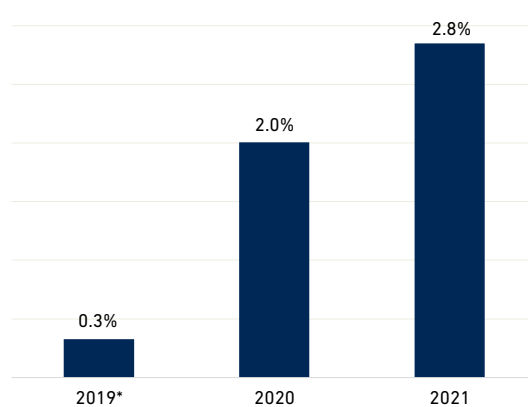
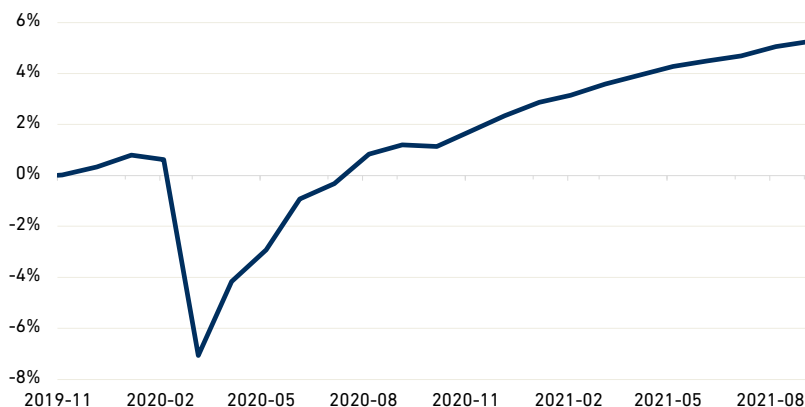
## Risk figures

	Fund
Standard deviation (ann.)	6.5 %
Average time to maturity	2.2
Interest rate duration	0.3
Credit spread duration	2.0

## Performance by periods

	Fund
Last month	0.2 %
Year to date	2.8 %
Three months	0.7 %
Six months	1.6 %
Last 12 months	4.0 %
Since launch (annualised)	2.8 %

## Performance history



## Monthly net returns in per cent

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2021	0.51	0.27	0.42	0.33	0.34	0.20	0.20	0.35	0.19				2.85
2020	0.46	-0.17	-7.63	3.12	1.30	2.05	0.61	1.16	0.35	-0.06	0.59	0.60	2.01
2019											0.01	0.31	0.33

\*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. Pareto Asset Management seeks to the best of its ability to ensure that all information given in this report is correct, however, makes reservations regarding possible errors and omissions. Statements in the report may reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. The distribution of this information may be restricted by law in certain jurisdictions and this information is not intended for distribution to any person or entity in such jurisdiction. The report should not be perceived as an offer or recommendation to buy or sell financial instruments. This is an advertising document. Pareto Asset Management does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of the report. Fund prospectus, KIID, annual and semi-annual report are available at [fundinfo.fundrock.com/Pareto](http://fundinfo.fundrock.com/Pareto). The representative in Switzerland is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich. The paying agent in Switzerland is NPB Neue Private Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8024 Zurich. The relevant documents such as the prospectus, the key investor information document (KIIDs), the statutes or the fund contract as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

# Monthly commentary – September 2021

By Christian Weldingh and Gustaf Tegell

September was a good month in the Nordic bond market and for Pareto Nordic Cross Credit (PNCC). A somewhat subdued global risk appetite towards the end of the month has so far not had a significant impact on the Nordic region. The Nordic economies have done well through the pandemic, and with the full reopening of Denmark, Sweden and Norway during the month, the momentum has strengthened further.

The portfolio continues to have a conservative profile in the Nordic credit market with a broad sector diversification, limited single name exposure and balancing of liquidity against best possible relative value. With a solid liquidity position, low interest rate risk and low credit duration, we believe the portfolio will weather all sorts of market. The fund has low exposure to sectors that are particularly sensitive to higher interest rates, such as real estate.

Activity has been high in both primary and secondary markets during the month. PNCC participated in five issuances spread across four sectors: Grøntvedt (consumer), Y-Foundation (real estate), Diös (real estate), Gränges (materials) and Klarna (finance). Two of the issuers were existing holdings, while Grøntvedt, Y-Foundation and Diös are new companies. 24 trades were executed in the secondary market. Fourteen purchases, all in previously known names for the fund, and ten sales.

From a risk management perspective, the fund is designed to be fossil-free and will avoid exposure to companies that extract, refine, or produce energy from oil, gas, or uranium. The fund also seeks to limit direct exposure to companies that are strongly affected by price fluctuations in fossil energy. The fund is classified as an Article 8 fund, or "Light Green Fund", according to the European Sustainable Finance Disclosure Regulation or "SFDR" in short.

**Portfolio management team:** Christian Weldingh and Gustaf Tegell