

Fund	
Sub-Fund	CABA Hedge KL
ISIN	DK0060814523
AUM	DKK 863m
NAV	108,55

Return(%)	
Since inception	8,55
YTD	4,45
Month	1,14

	Key figures		
	Total	DK	SE
Leverage	8,97	0,20	8,76
Max drawdown (%)	-4,52	-	-
Max drawdown (days)	149	-	-
Spread risk (% of limit)	53,3	0,2	53,1
Spread risk (@ 1 bp)	0,277	0,001	0,276
Duration (@ 1 bp)	-0,002	-0,002	0,000
Convexity (@ 1 bp)	0,002	-0,001	0,003

August 2019 report

Denmark

- Geopolitical uncertainties and market expectations of rate cuts, easing and tiering from the global central banks pushed rates further down in August. The 10-year German government bond traded at -0,70% on the 30th of August.
- With 1%'50 priced above par in August, the mortgage institutions have introduced a new 30-year callable mortgage bond, namely 0,5%'50 (both annuity and interest-only).
- With the introduction of 0,5%'50 the high prepayment activity in 2019 is expected to continue throughout the year. This have lead to downward pressure on the high-coupon callable bond segment.
- The option-adjusted swap spread on Danish callable bonds have been rather volatile in August. The option-adjusted swap spread tightened by 17bp in August, although a large part of the tightening is due to an increase in the embedded option.
- The swap spread on Danish non-callable bonds changed by ±1bp.

Sweden

- Pressure is on the Riksbank to deliver a dovish tone going forward, as the market is currently pricing a 13-14bp rate cut in February 2020.
- Swedish bostäder swap spreads tightened across maturities (1-6Y) by 2-3bp in August.
- Bostäder also performed vs government bonds in August by 4-5bp for 2-6Y maturities.

Performance



Drawdown %



Risk limits %

