

Fund		Key figures				
Sub-Fund	CABA Hedge KL A	Total	DK	SE	NO	DE
ISIN	DK0060814523	Leverage	14,40	-0,22	14,62	0,00
AUM Strategy	DKK 950m	Max drawdown (%)	-32,61	-	-	-
NAV	119,20	Max drawdown (days)	1203	-	-	-
Return(%)		Spread risk (% of limit)	91,3	16,1	75,3	0,0
Since inception	19,20	Spread risk (@ 1 bp)	0,475	0,084	0,391	0,000
YTD	9,20	Duration (@ 1 bp)	0,035	0,210	-0,014	0,000
Month	0,47	Convexity (@ 1 bp)	-0,001	0,011	0,001	0,000

April 2024 report

General Market Trends:

- Geopolitical risk and volatility returned to the marked mid-April with the Iran attack on Israel. Sen Financial, Xover and other risk indicators surged, with Xover hitting year high.
- US CPI and activity data give continued headwind for the doves.
- EC ZEW surprised on the upside to 49.3 from 33.5. EU Core CPI was unchanged at 2.9, also setting pressure on future rate cut expectations. 2y EUR swap rates increased 24bps from 3.15 to 3.39 and 10y 28bp from 2.58 to 2.86.
- The general marked sentiment has put pressure on equities. The Q1 reporting have resulted in a lot of relative repricing. SPX and Eurostoxx50 was down respectively 4.2% and 3.2% during April.
- Counter to the general negative risk sentiment, European covered bonds stabilized and ever preformed a bid.

Denmark:

- Long dated fixed rate bullets stick to their stretched pricing due to lack of supply. FRNs underperformed marginally probably due to nervousness up to the large refinancing supply coming up in May.
- As usual when we have large rate movements, we have seen huge changes in the relative OAS between IO and amortizing Callable bonds.
- We are still skeptic regarding further performance in Danish fixed rate bullets from here and regard them as expensive compared to Callable bonds.
- Foreign investors once again reduced their holding of Danish callable bonds slightly during April mainly via selling 1% coupons.
- Net issues in callable bonds is confirmed positive, but the flow is neutralized by private investor buying.

Sweden and Norway:

- The Swedish market was nervous during the risk-of days mid-April. However, both the Swedish and Norwegian covered bonds ended April with a small performance vs swap.
- Swedish government bonds performed massive (15bps) mid-April ending the month with a net performance of around 5-7 bps asset swap.
- We maintain our positive view for further performance in the Swedish market.

