

Fund		Key figures					
Sub-Fund	CABA Hedge KL A	Leverage	Total	DK	SE	NO	DE
ISIN	DK0060814523	Max drawdown (%)	15,58	0,24	15,34	0,00	
AUM Strategy	DKK 1.000m	Max drawdown (days)	-32,61	-	-	-	
NAV	125,45	Spread risk (% of limit)	1219	-	-	-	
		Spread risk (@ 1 bp)	99,9	22,7	77,2	0,0	
		Duration (@ 1 bp)	0,519	0,118	0,401	0,000	
		Convexity (@ 1 bp)	0,035	0,228	-0,091	0,000	-0,102
			-0,014	-0,003	0,000	0,000	-0,011
Return(%)							
Since inception	25,45						
YTD	14,93						
Month	5,25						

May 2024 report

General Market Trends:

- Despite geopolitical risk and sticky inflation, the market is dominated by a pronounced “we are back to happy days again” sentiment.
- This is reflected in the Nasdaq that outperformed SP500 and Eurostoxx50 by more than 2 and 5%-points, respectively. The clear winner is Nvidia that surged 27% in May and is now up 121% year-to-date.
- The positive sentiment is also reflected in both credit spreads, implied volatility, European covered bonds and roughly all other risk indicators.
- However, within the rate space, dark clouds are starting to form, as the sticky inflation in both US and EU continues to challenge central banks.
- In addition, the FED is, in contrast to the ECB, challenged by the first signs of a cooling economy, as indicated by forward looking indicators (ISM etc.)
- In our view, risky assets are priced to “perfection”, leaving little buffer for geopolitical, economic or central bank disappointments.

Denmark:

- The huge July refinancing action was very strong.
- Floaters performed 4-5 bps vs fixed rate bonds.
- Fixed rate bullets continued their strong performance and gained approx. 5 bps swaps.
- Callable bonds also benefitted from the positive sentiment. Low coupons have been the best performers with 9 bps while higher coupons only performed 2-4 bps.
- We stick to our view that callable bonds now look attractive compared to fixed rate bullets.

Sweden and Norway:

- It seems like data and sentiment in Sweden is turning positive and it looks like Sweden is getting out of the shadow. We are positive on Swedish economy and even the real estate market.
- The Swedish and Norwegian covered bonds had a stellar performance.
- Swedish government bonds are unchanged vs swaps for the month thus outperforming Bunds with a few bps.
- We reiterate our positive view for further performance of Swedish covered bonds.

Performance



Risk limits %

