



## Norron TARGET SEK Class - Monthly Report Oct 2017

Historical Return (%)													
	jan	feb	mar	apr	maj	jun	jul	aug	sep	okt	nov	dec	year
2017	0,2	0,4	-0,2	1,2	-0,2	-0,9	0,6	-1,3	2,5	1,1			3,39
2016	-3,2	0,2	0,4	1,3	1,1	-1,1	2,3	0,5	2,6	0,3	0,4	0,6	5,5
2015	1,2	0,9	0,4	1,1	-0,2	-1,3	0,5	-1,7	-1,8	1,2	2,3	-0,7	1,8
2014	0,5	2,2	0,3	0,7	1,6	0,9	-0,4	-0,5	-1,4	-0,9	0,5	-0,2	3,2
2013	1,3	0,6	-0,3	0,9	1,7	-0,8	2,2	0,3	1,1	2,4	1,2	1,2	12,5
2012	1,5	1,5	-0,1	0,2	-1,4	-0,8	1,0	1,0	0,9	0,2	0,7	0,7	5,5

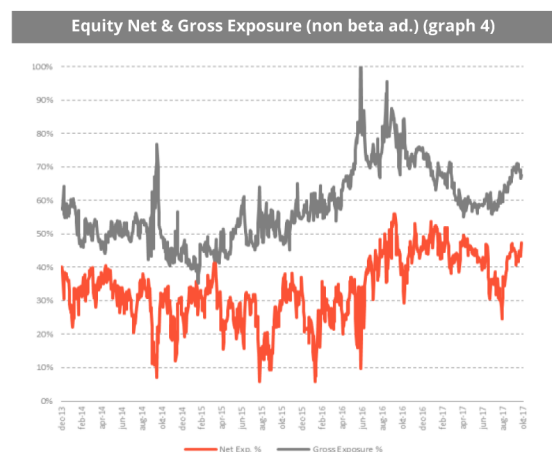
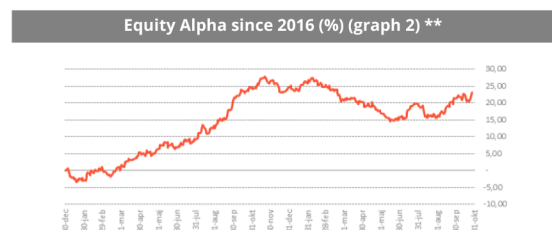
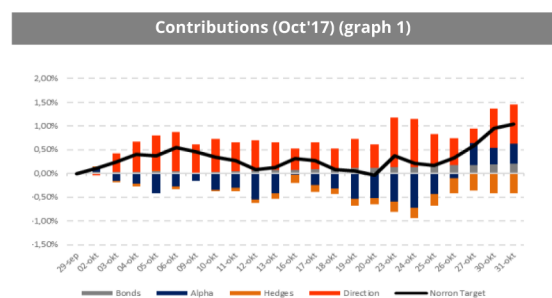
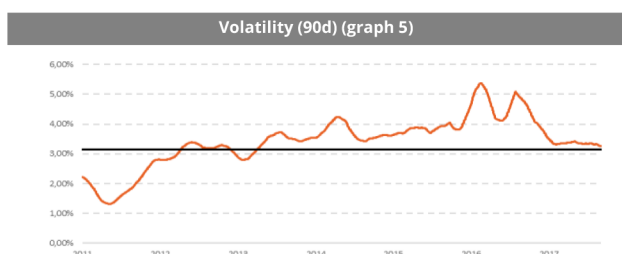
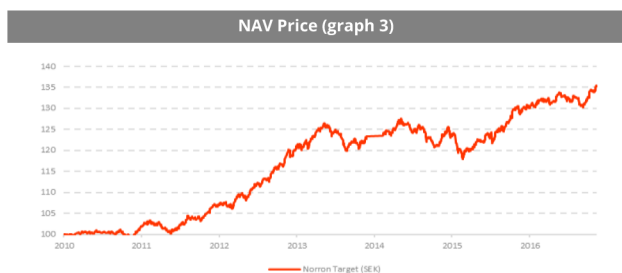
  

#ССЫЛКА!	Oct'17	YTD	Inception
Total Return (%)	1,10%	3,39%	35,43%
5YR CAGR (compounded annual growth rate)	N/A	N/A	5,5%
3YR CAGR (compounded annual growth rate)			3,6%
Correlation vs MSCI Nordic	0,5	0,7	0,7
Avg. 90D Volatility	3,2%	3,3%	3,2%
Avg. Fixed Income Cash Yield (by NAV)*	1,8%	1,8%	3,0%
Avg. Credit Rating Fixed Income Portfolio*	BBB+	BBB	BBB
Sharpe Ratio	N/A	N/A	1,7

Positive Contributions (%)		
1	Aker ASA	0,37
2	Sandvik AB	0,20
3	Protector Forsikring ASA	0,15
4	UPM-Kymmene OYJ	0,14
5	Kindred Group AB	0,14

Negative Contributions (%)		
1	Nordea Bank AB	-0,09
2	Mycronic AB	-0,07
3	Nordic Semiconductor ASA	-0,06
4	Nordic Waterproofing AS	-0,06
5	Skandinaviska Enskilda Banken AS	-0,05

Theoretical Sensitivity	
Equities +10%	4%
Equities -10%	-2%
Volatility +50%	1%
Volatility -50%	-2%
Credits -150bps	1%
Credits +150bps	-1%



### Fund Manager Comments

October was a good month for Target, posting returns of 1,1 per cent. The fund continued its positive alpha stream, which, once again, was the main contributor to October's result. Aker ASA, the best performer of the month, continued its upward trend and correlated closely with the oil price. We are still amazed that the discount hasn't come down in this company, currently at 33%.

Many of the companies have now reported their quarterly results, where engineering companies were the positive ones and banks the negative ones. Even though banks posted solid earnings, they are lagging the general market. One of our market neutral models indicate that banks should outperform engineering companies going forward in the short term. As communicated in last month's report we tend to tilt towards cyclicals, which helped the performance during the month of October.

We have now gone through the first part of the fourth quarter and we believe we will experience a positive period towards year end. Volatility is at a multi-year low, which continues to benefit our hedging profile. Tailoring the risks does not only mean taking care of the downside, but also includes the ambition of further capturing positive gains in the direction of the Nordic equity markets.