



CAPTOR

IRIS BOND

MONTHLY REPORT - SEPTEMBER 2022



PORTFOLIO MANAGER COMMENT

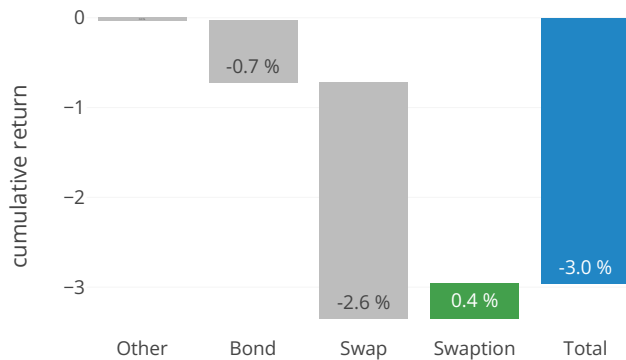
The month began with a slowly rising trend for Swedish long-term interest rates. Swedish ten-year swap rate traded between September 1 and 22 in a channel between 2.8 and 3%. The last third of the month was marked by a mix of inflation scares, German producer price inflation rising to almost 50% and political risk with the new UK mini-budget. The UK fixed income market spiraled out of control following reports of unfunded economic stimulus which is seen as both inflationary and undermining the UK's ability to borrow in the fixed income markets. The wildly fluctuating markets have led to concerns about institutional investors' ability to collateralize their derivatives positions, which ultimately prompted the Bank of England to start buying long-term government bonds to save the UK pension system. This effort is very similar to the Swedish liquidity guarantee that was introduced on the electricity market a few months ago. Swedish interest rates have generally followed the major international markets, and the Riksbank's communication has largely been about the necessity to front-run ECB rate hikes in order to keep the Swedish exchange rate stable. When concerns about Great Britain were at their greatest after the new mini-budget, the krona traded at its weakest rate ever against the dollar, almost SEK 11.5 per USD. Both the Swedish housing market and the Swedish real estate market are under severe pressure now in the rising interest rate situation.

The Swedish mortgage bond spread has widened further during the month and the four-year spread is now around 50bp.

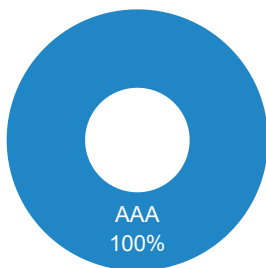
INVESTMENT GOAL AND STRATEGY

Captor Iris Bond is an actively managed fixed income fund. The capital is invested in ECBC covered bonds and bonds issued or guaranteed by Northern European sovereigns, local governments and supranationals. The fund will invest in green bonds provided that they fit within the investment strategy. The fund further utilises interest rate swaps to take positions in long maturity Swedish interest rates. As part of the strategy to maintain these positions the fund also trades in swaptions.

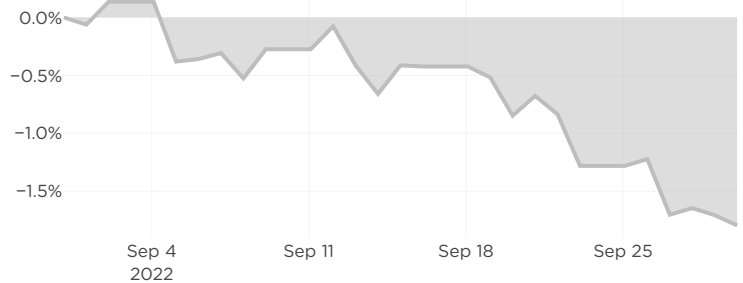
ATTRIBUTION THIS MONTH



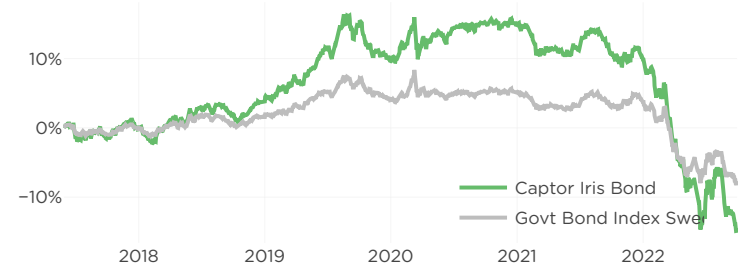
CREDIT RATINGS



RELATIVE PERFORMANCE



PERFORMANCE



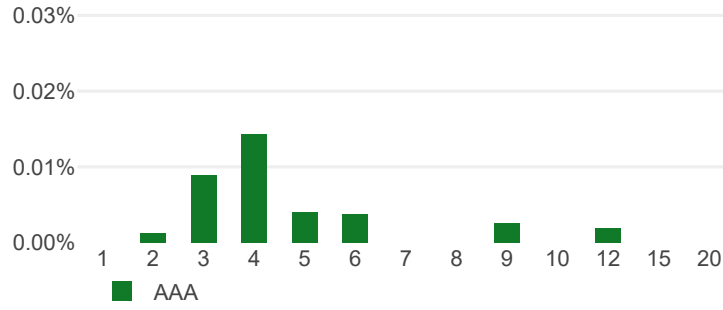
RISK METRICS

Duration	10.44 years	Spread against swap	0.46%
Credit duration	3.69 years		

DISCLAIMER

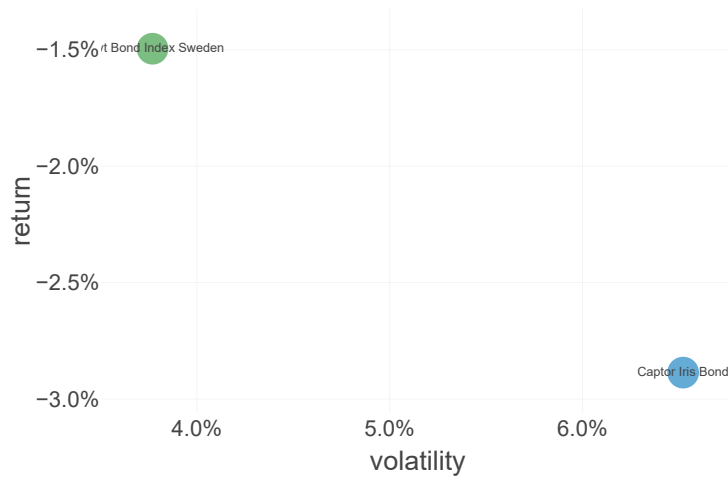
The information provided herein is generally descriptive and the fund may not be available for or suitable for you. Any opinions expressed do not constitute investment advice. Independent advice should be sought in cases of doubt. The value of the fund and any securities mentioned herein can fall as well as rise and an investor may get back less than the capital invested. Past performance is not necessarily a guide to future performance. Please go to <https://captor.se/fonder/> for further information.

CREDIT SPREAD RISK

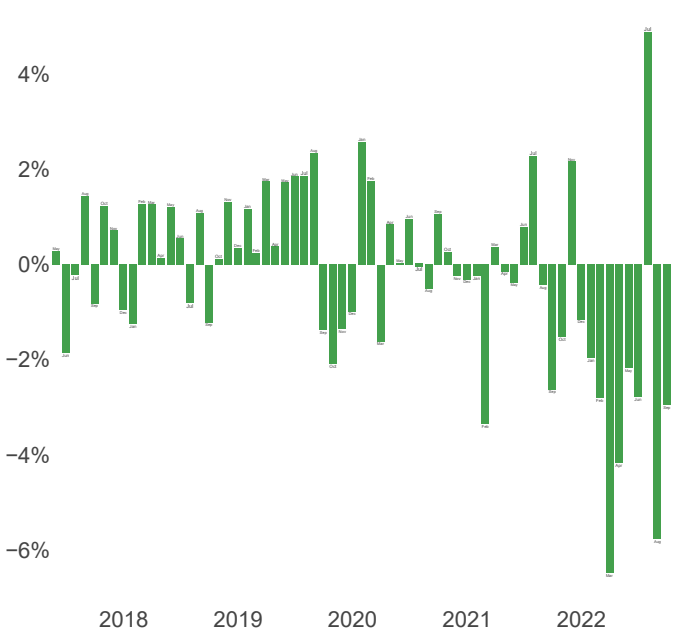


The graph shows the effect on fund NAV in % when shifting credit spreads down by 0.01%.

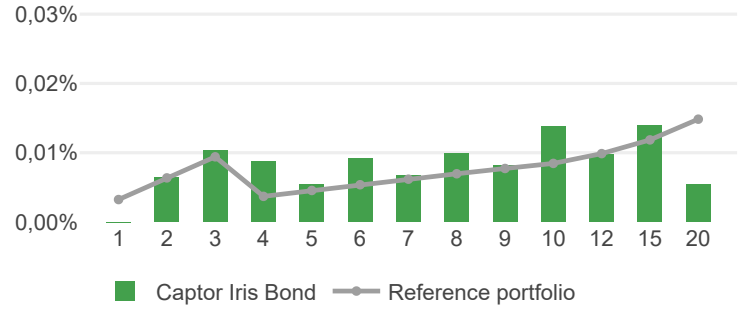
RETURN VS VOLATILITY



MONTHLY RETURNS

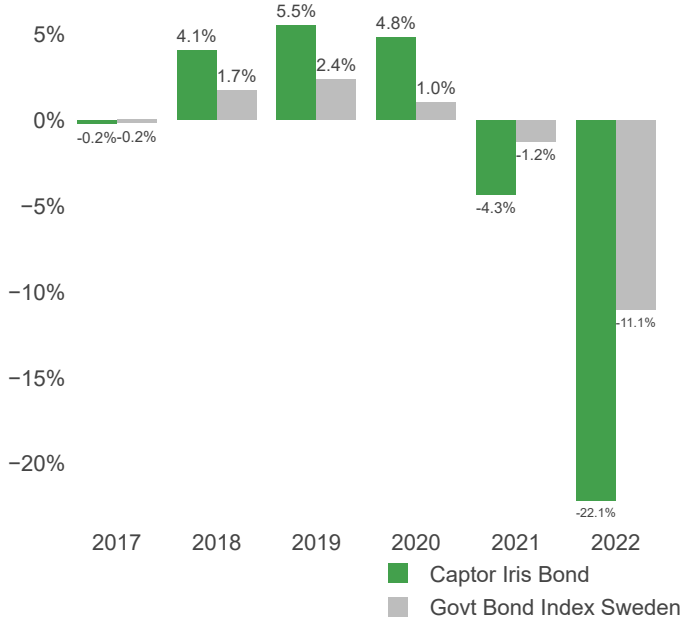


INTEREST RATE RISK

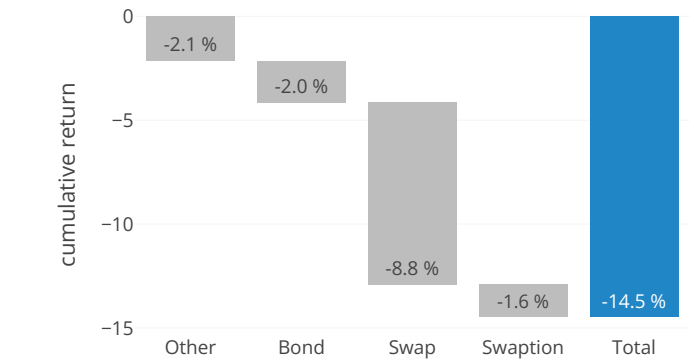


The graph shows the effect on fund NAV in % when shifting the underlying curve down by 0.01%.

YEARLY RETURNS



CUMULATIVE ATTRIBUTION



RETURN TABLE

	Helår	Jan Feb	Mar Apr	Maj Jun	Jul Aug	Sep Okt	Nov Dec
2022	-22.1%	-2.0% -2.8%	-6.5% -4.2%	-2.2% -2.8%	4.9% -5.8%	-3.0%	
2021	-4.3%	-0.2% -3.4%	0.4% -0.1%	-0.4% 0.8%	2.3% -0.4%	-2.6% -1.5%	2.2% -1.2%
2020	4.8%	2.6% 1.8%	-1.6% 0.8%	0.0% 1.0%	-0.0% -0.5%	1.1% 0.3%	-0.2% -0.3%
2019	5.5%	1.2% 0.2%	1.8% 0.4%	1.7% 1.9%	1.9% 2.3%	-1.4% -2.1%	-1.4% -1.0%
2018	4.1%	-1.2% 1.3%	1.3% 0.1%	1.2% 0.5%	-0.8% 1.1%	-1.2% 0.1%	1.3% 0.4%
2017	-0.2%			0.3% -1.9%	-0.2% 1.4%	-0.8% 1.2%	0.7% -1.0%

TOP HOLDINGS

Issuer	Weight	Maturity	Rating	Sector
Nordea Hypotek AB	7.8%	2026-09-16	AAA	Bank/finans
Länsförsäkringar Hypotek AB	7.6%	2026-09-16	AAA	Bank/finans
Stadshypotek AB	6.6%	2028-09-01	AAA	Bank/finans
Nordea Hypotek AB	6.5%	2025-09-17	AAA	Bank/finans
Länsförsäkringar Hypotek AB	6.4%	2025-09-17	AAA	Bank/finans
Swedbank Hypotek AB	5.4%	2025-06-18	AAA	Bank/finans
Stadshypotek AB	4.9%	2025-09-03	AAA	Bank/finans
Swedbank Hypotek AB	3.6%	2027-03-17	AAA	Bank/finans
Skandiabanken Covered Bond Pro...	3.2%	2026-11-24	AAA	Bank/finans
Sveriges Säkerställda Obligationer ...	3.1%	2026-06-17	AAA	Bank/finans

TOP ISSUERS

Issuer	Weight	Rating	Sector
Nordea Hypotek AB	15.1%	AAA	Bank/finans
Stadshypotek AB	14.2%	AAA	Bank/finans
Länsförsäkringar Hypotek AB	14.0%	AAA	Bank/finans
Swedbank Hypotek AB	11.8%	AAA	Bank/finans
Realkredit Danmark A/S	4.9%	AAA	Bank/finans
Nykredit Realkredit A/S	4.6%	AAA	Bank/finans
Sparbanken Skåne Covered Bond Programme	4.6%	AAA	Bank/finans
Borgo AB	3.6%	AAA	Bank/finans
Danske Hypotek AB	3.6%	AAA	Bank/finans
SEB Covered Bond Programme	3.4%	AAA	Bank/finans

Portfolio managers



Daniel Karlgren

Daniel has fifteen years of experience in trading fixed income, equity and currency products. He has previously worked as a quantitative analyst and asset manager at Handelsbanken and built up and managed a derivative portfolio at Industrivärden.

Contact: daniel.karlgrén@captor.se

SHARE CLASSES

	Class C	Class B	Class A	Class D
NAV	85.5814	153.3274	229.2354	74.1788
NAV Date	2022-09-30	2022-09-30	2022-09-30	2022-09-30
Dividend	No	No	No	Yes
Bloomberg Ticker	CAPIRIS SS Equity	CAPRISB SS Equity	CAPIRIA SS Equity	CAPIRID SS Equity
ISIN	SE0009807308	SE0012204766	SE0012204758	SE0015245642
Trade Cycle	Dagligen	Dagligen	Dagligen	Dagligen
Cut-off	10:00	14:00	14:00	10:00
SFDR	Article 8	Article 8	Article 8	Article 8
Min. Investment	10 000 000	1 000 000	100	10 000 000
Fee	0,3%	0,4%	0,5%	0,3%
Currency	SEK	SEK	SEK	SEK
Reg. Status	UCITS	UCITS	UCITS	UCITS
Currency Hedged	Yes	Yes	Yes	Yes

REASONS TO INVEST

The fund has long duration and is therefore able to earn the risk premia available further out on tradable Swedish Krona interest rate curves. This strategy has over time offered an attractive risk-adjusted return. The performance of these positions tend to be negatively correlated with those of risky assets such as equities, especially in times of market stress. Therefore the fund can be an attractive component in a balanced portfolio. The fund is also appropriate for investors with long dated liabilities.

HOW TO INVEST IN THE FUND

Some of the fund's share classes are available through Swedish banks and fund platforms. Furthermore, some share classes have a higher minimum investment, and for such share classes a dilution levy can be applied at subscription/redemption in order to protect the fund's shareholders. The process is the same as employed by exchange traded funds and also allows for physical creations/redemptions.

RISK PROFILE

The fund has a higher sensitivity to changes in interest rates, i.e. a higher "duration", compared to other fixed income funds available in Swedish Krona. Interest rate risk is the dominant riskfactor of the fund, larger than the credit exposure of the fund, given that the fund's capital is invested in ECBC covered bonds and bonds issued or guaranteed by Northern European sovereigns, local governments and supranationals.



William Sjöberg

William Sjöberg holds a MSc from KTH in Stockholm with financial mathematics focus and an education in quantitative finance from the CQF Institute. William has previously worked at Nordea for eight years in derivatives covering several asset classes.

Contact: william.sjoberg@captor.se