



CAPTOR

IRIS BOND

MONTHLY REPORT - OCTOBER 2022



PORTFOLIO MANAGER COMMENT

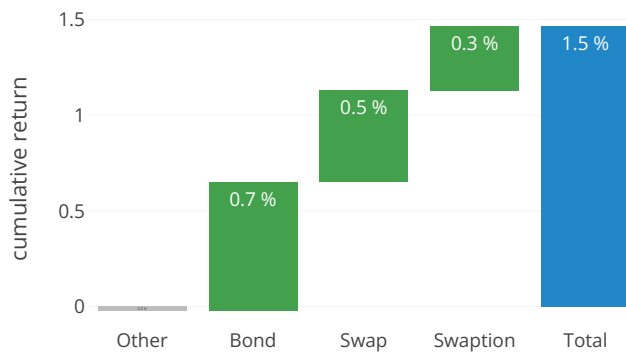
After the turbulent month of September, the interest rate market has stabilized during October. Newly elected British Prime Minister Liz Truss was forced to resign shortly after her self-appointed Chancellor of the Exchequer after a record short 44 days in office. Swedish ten-year swap rate has traded relatively stable and went from 3.16% to 3.09% during the month. A contributing reason for the relative calm may be that neither the Riksbank nor its American counterpart made any adjustments to the key interest rate during October. At the end of the month, the ECB raised its key interest rate by 0.75 percentage points, but as this was in the lower range of expectations, it was received with relative calm by the market. The Swedish economy looks very divided with record pessimistic households and record profits in the Q3 reports. The month was one of the best months ever for the Dow Jones US industrial stock index.

Swedish mortgage bond spreads have converged somewhat with rising equity markets. A number of new mortgage bond FRNs have been issued during the month and demand for this type of bond appears to remain strong among the investor community.

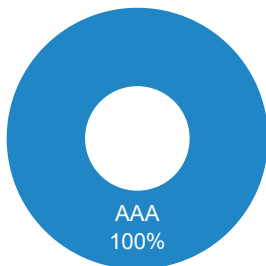
INVESTMENT GOAL AND STRATEGY

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 interests rates. As part of the strategy to maintain these positions the fund also trades in swaptions.

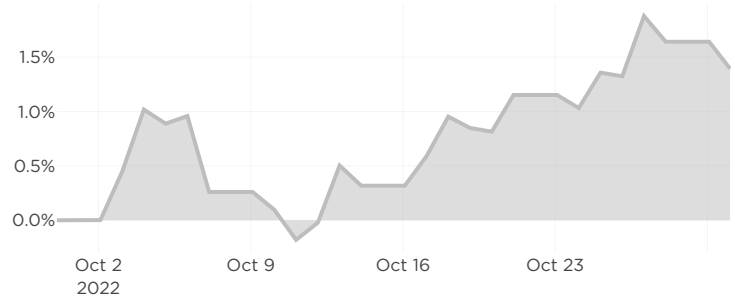
ATTRIBUTION THIS MONTH



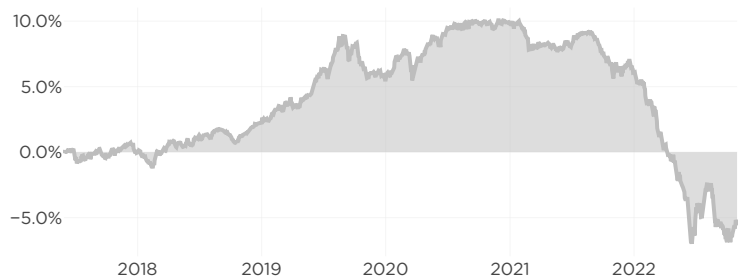
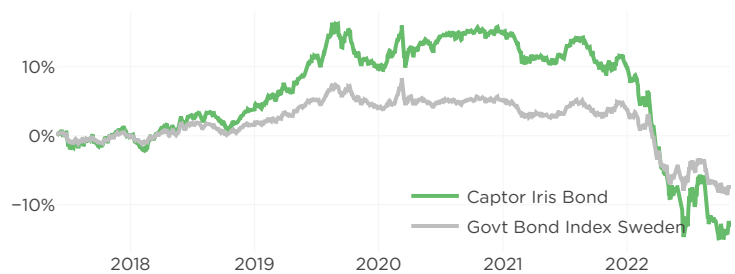
CREDIT RATINGS



RELATIVE PERFORMANCE



PERFORMANCE



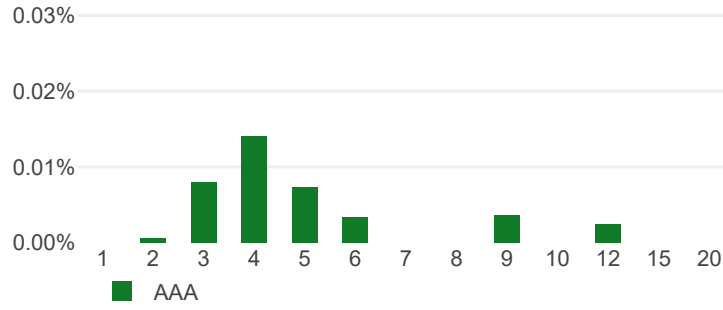
RISK METRICS

Duration	10.45 years	Spread against swap	0.46%
Credit duration	3.93 years		

DISCLAIMER

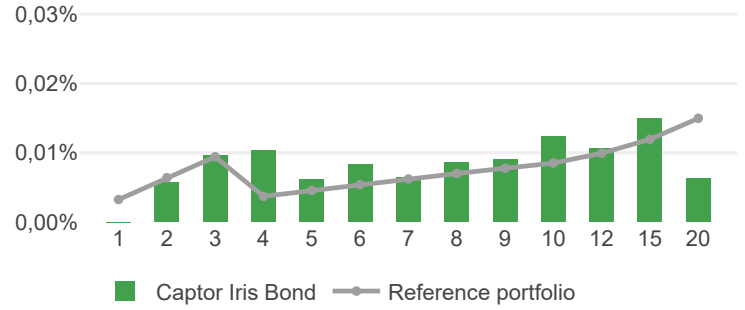
The information provided herein is generally descriptive and the fund may not be available for or suitable for you. Any opinions expressed do not constitute investment advice. Independent advice should be sought in cases of doubt. The value of the fund and any securities mentioned herein can fall as 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



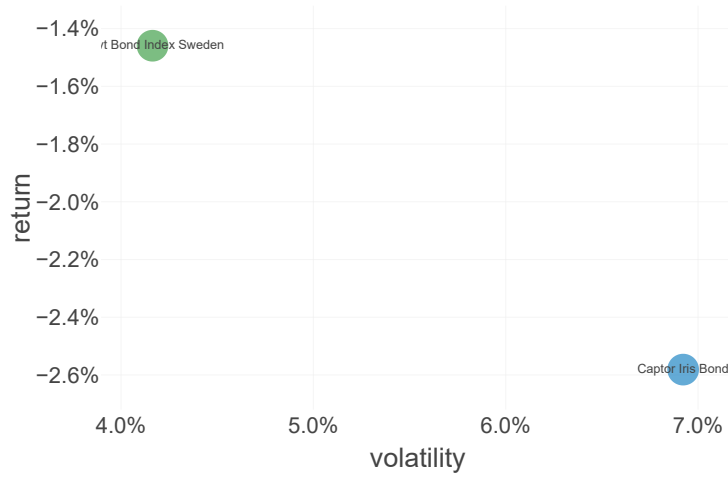
The graph shows the effect on fund NAV in % when shifting credit spreads down by 0.01%.

INTEREST RATE RISK

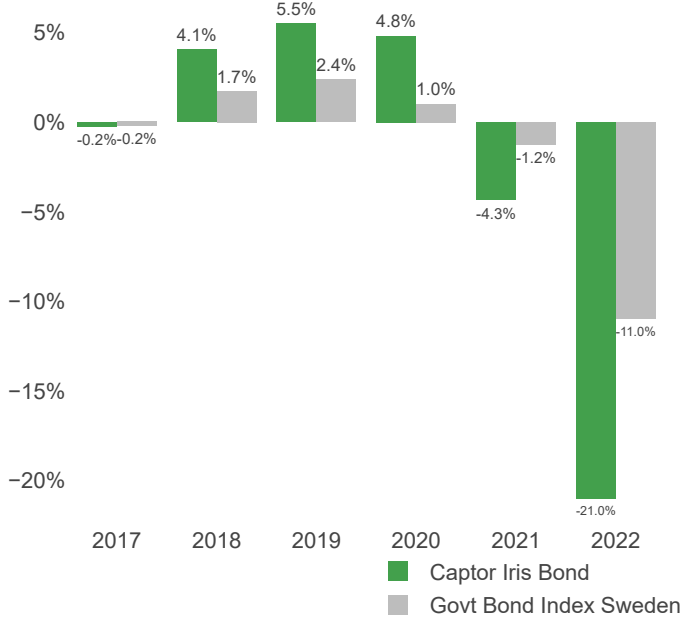


The graph shows the effect on fund NAV in % when shifting the underlying curve down by 0.01%.

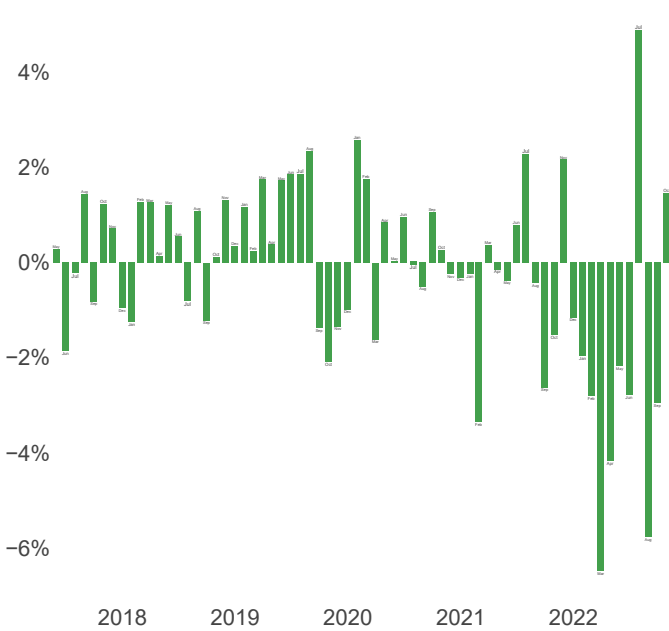
RETURN VS VOLATILITY



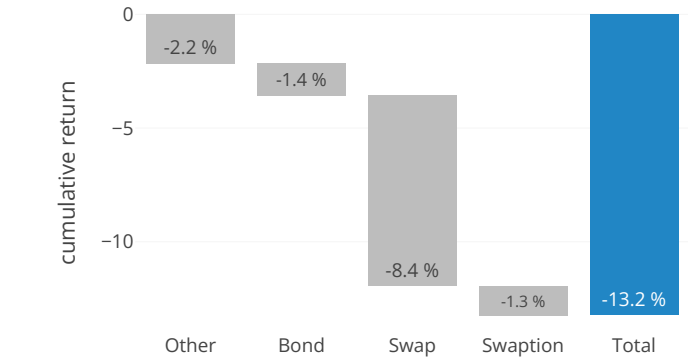
YEARLY RETURNS



MONTHLY RETURNS



CUMULATIVE ATTRIBUTION



RETURN TABLE

	Helår	Jan Feb	Mar Apr	Maj Jun	Jul Aug	Sep Okt	Nov Dec
2022	-21.0%	-2.0% -2.8%	-6.5% -4.2%	-2.2% -2.8%	4.9% -5.8%	-3.0% 1.5%	
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	8.3%	2026-09-16	AAA	Bank/finans
Länsförsäkringar Hypotek AB	6.8%	2026-09-16	AAA	Bank/finans
Swedbank Hypotek AB	6.6%	2027-03-17	AAA	Bank/finans
Länsförsäkringar Hypotek AB	6.4%	2025-09-17	AAA	Bank/finans
Stadshypotek AB	6.0%	2028-09-01	AAA	Bank/finans
Nordea Hypotek AB	5.8%	2025-09-17	AAA	Bank/finans
Swedbank Hypotek AB	4.9%	2025-06-18	AAA	Bank/finans
Stadshypotek AB	4.4%	2025-09-03	AAA	Bank/finans
Swedbank Hypotek AB	3.4%	2026-03-18	AAA	Bank/finans
Stadshypotek AB	3.1%	2031-09-03	AAA	Bank/finans

TOP ISSUERS

Issuer	Weight	Rating	Sector
Nordea Hypotek AB	14.9%	AAA	Bank/finans
Swedbank Hypotek AB	14.9%	AAA	Bank/finans
Länsförsäkringar Hypotek AB	13.9%	AAA	Bank/finans
Stadshypotek AB	13.4%	AAA	Bank/finans
Realkredit Danmark A/S	4.4%	AAA	Bank/finans
SEB Covered Bond Programme	4.1%	AAA	Bank/finans
Nykredit Realkredit A/S	4.1%	AAA	Bank/finans
Sparbanken Skåne Covered Bond Programme	4.1%	AAA	Bank/finans
Danske Hypotek AB	3.7%	AAA	Bank/finans
Kingdom of Sweden	3.6%	AAA	Statlig

Portfolio managers



Dr. 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.

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SHARE CLASSES

	Class C	Class B	Class A	Class D
NAV	86.8620	155.5974	232.4859	75.2834
NAV Date	2022-10-31	2022-10-31	2022-10-31	2022-10-31
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.

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