



CAPTOR

# ASTER GLOBAL CREDIT SHORT TERM

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 44 days in office. Three-month stibor fixing has risen from 1.72% to 2.07% during the month which in line with earlier market estimates. The Stibor fixing is still affected by the turn of the year and is therefore lower than expected. The Riksbank futures curve implies that a triple increase is to be expected in November, and that the repo rate will reach its peak in the fall of 2023 with a maximum interest rate of approx. 3.2%. 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.

The month's rising stock markets have been reflected in lower credit spreads. European index has compressed from approx. 135 basis points to 113 and American from 106 basis points to 89. Financials has been the strongest sector and Consumer Staples the weakest in Europe. In the US, Consumer Durables have performed the best, while Communication has done the worst.

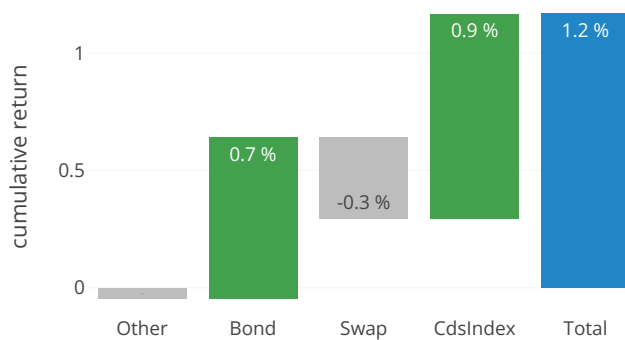
## INVESTMENT GOAL AND STRATEGY

The fund targets highly liquid exposure in European and North American Investment Grade credit, whilst keeping both currency and interest rate risk in Swedish Krona. To this end credit exposure is assumed via indexed centrally cleared Credit Default Swaps (CDS). The Reference Indices of the CDS contracts are Itraxx Europe Main and CDX Investment Grade North America. The exposure to each issuer is equally weighted, ensuring a well-diversified portfolio.

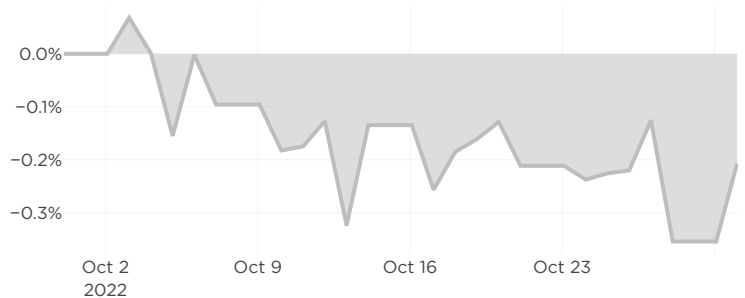
The fund takes positions that eliminate its exposure to companies that do not meet the sustainability requirements set up by Captor. The fund is classified as Article 8 according to the Disclosure Regulation.

The fund's capital will be invested in AAA rated SEK bonds, primarily Swedish covered bonds. Interest rate exposure is assumed via these bonds and cleared interest rate swaps in Swedish Krona.

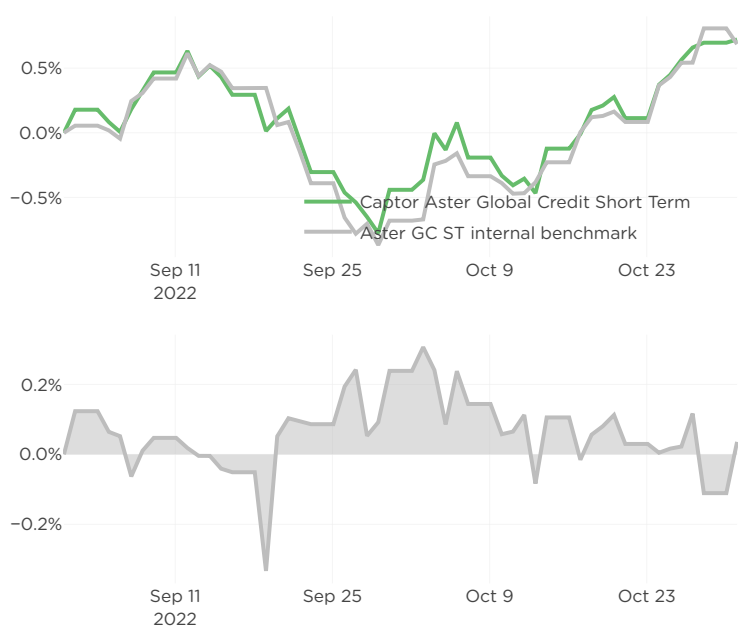
## ATTRIBUTION THIS MONTH



## RELATIVE PERFORMANCE



## PERFORMANCE



## RISK METRICS

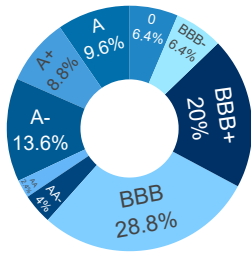
Duration	0.31 years	CDS IG EUR spread	112.61 bp
Credit duration (CDS)	4.55 years	CDS IG USD spread	89.2 bp

## DISCLAIMER

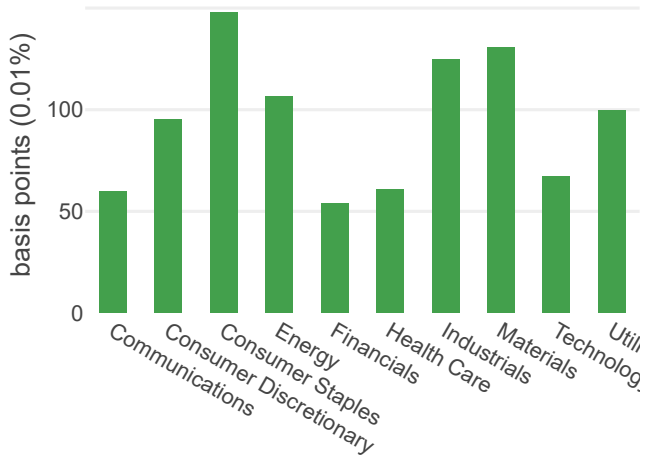
The information provided herein is generally descriptive and the fund may not be available for or suitable for you. Any opinions expressed do not constitute investment advice. Independent advice should be sought in cases of doubt. The value of the fund and any securities mentioned herein can fall as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

CDS IG EUR

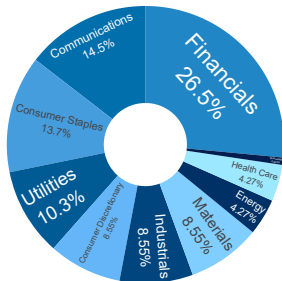
KREDITRATING



SECTOR SPREADS

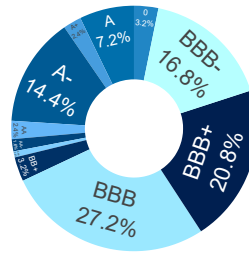


SECTOR ALLOCATION

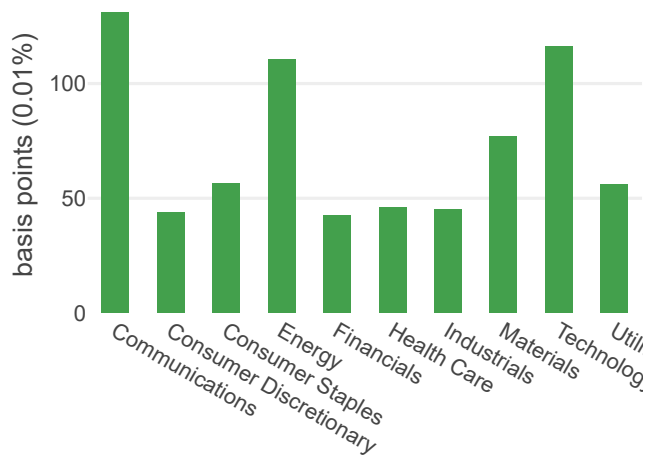


CDS IG USD

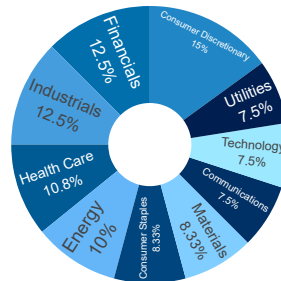
KREDITRATING



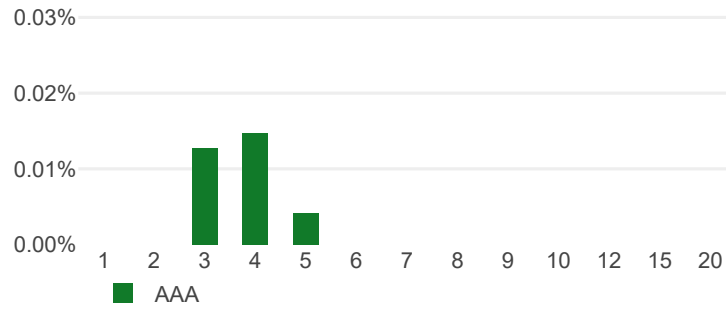
SECTOR SPREADS



SECTOR ALLOCATION

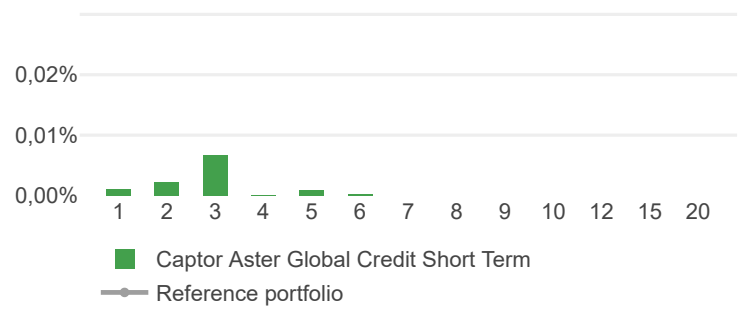


### CREDIT SPREAD RISK



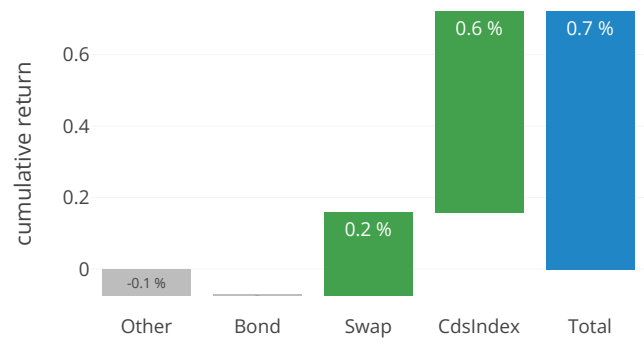
The graph shows the effect on fund NAV in % when shifting credit spreads down by 0.01%.

### INTEREST RATE RISK



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

### CUMULATIVE ATTRIBUTION



## RETURN TABLE

	Helår	Jan Feb	Mar Apr	Maj Jun	Jul Aug	Sep Okt	Nov Dec
2022	0.7%					-0.4% 1.2%	

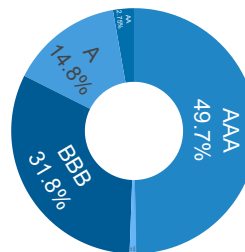
## TOP HOLDINGS

Issuer	Weight	Maturity	Rating	Sector
SEB Covered Bond Programme	15.6%	2025-12-17	AAA	Bank/finans
Swedbank Hypotek AB	15.4%	2025-06-18	AAA	Bank/finans
Kingdom of Sweden	15.2%	2026-11-12	AAA	Statlig
Nordea Hypotek AB	15.2%	2025-09-17	AAA	Bank/finans
Stadshypotek AB	14.9%	2025-09-03	AAA	Bank/finans
Sveriges Säkerställda Obligationer ...	4.1%	2026-06-17	AAA	Bank/finans
Länsförsäkringar Hypotek AB	4.0%	2026-09-16	AAA	Bank/finans
Danske Hypotek AB	3.8%	2026-12-16	AAA	Bank/finans
Skandiabanken Aktiebolag (publ)	2.2%	2027-06-23	AAA	Bank/finans
Stadshypotek AB	2.0%	2027-03-01	AAA	Bank/finans

## TOP ISSUERS

Issuer	Weight	Rating	Sector
Swedbank Hypotek AB	17.3%	AAA	Bank/finans
Nordea Hypotek AB	17.1%	AAA	Bank/finans
Stadshypotek AB	16.9%	AAA	Bank/finans
SEB Covered Bond Programme	15.6%	AAA	Bank/finans
Kingdom of Sweden	15.2%	AAA	Statlig
Sveriges Säkerställda Obligationer AB	4.1%	AAA	Bank/finans
Länsförsäkringar Hypotek AB	4.0%	AAA	Bank/finans
Danske Hypotek AB	3.8%	AAA	Bank/finans
Skandiabanken Aktiebolag (publ)	2.2%	AAA	Bank/finans

## CREDIT RATINGS



## SHARE CLASSES

	Class A	Class C
NAV	302.1049	100.7512
NAV Date	2022-10-31	2022-10-31
Dividend	No	No
Bloomberg Ticker	CASTSTA SS Equity	CASTSTC SS Equity
ISIN	SE0017832314	SE0017832330
Trade Cycle	Dagligen	Dagligen
Cut-off	14:00	10:00
SFDR	Article 8	Article 8
Min. Investment	100	10 000 000
Fee	0,4%	0,25%
Currency	SEK	SEK
Reg. Status	UCITS	UCITS
Currency Hedged	Yes	Yes

## REASONS TO INVEST

The fund is suitable for investors with home currency in Swedish Krona looking for attractive risk-adjusted returns through a well diversified exposure to global investment grade credit. The strategy is suitable for investors looking for liquidity in all market conditions.

By construction the strategy effectively avoids being directly exposed to EUR or USD long term interest rates. In addition the fund avoids all costs typically associated with hedging foreign currency back into Swedish Krona.

## 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

Credit risk is the dominant risk factor in the fund. It is exposed to credit spreads of both its bond positions and its position in CDS contracts.

## 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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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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