



Carnegie Corporate Bond H (EUR) invests in stable Nordic corporate bonds.

- Balanced portfolio with a geographical distribution within the Nordic countries.
- Invests across the credit rating scale (AAA to B-) and strives for an average of BBB.
- Available in additional share classes A (SEK), B (NOK), C (EUR) and D (SEK quarterly dividends)

**MANAGER COMMENT:** Another strong month

Following a very strong start to 2019, March saw continued strong sentiment but with higher volatility, in line with weaker macroeconomic indicators, primarily in Europe and China. In the US, the Fed left the interest rate unchanged as expected, but at the same time guided for a softer future interest rate policy. Against this, company profits for last year can be seen as paradoxical since the majority are still enjoying demand and stable cash flows.

Continued high demand for both high-yield and investment-grade credits combined with an undersupply of new issues has contributed to shrinking credit margins and rising prices. The favourable climate has led a number of companies to issue new capital and, during the month, we invested in several interesting names. Coor is a new name in the bond market and issued a five-year bond, Telenor issued just over SEK 7 billion that will partly finance 5G expansion, and Electrolux issued 1 billion under a green framework. These were partly financed by sales in bank debt, particularly subordinated debt, from

names such as Swedbank and SEB where we regard the uncertainty of the money laundering scandal and the risk of contagion as overly high downside risks. We have also invested in Hexagon Composites, a Norwegian company that manufactures gas containers for vehicles, BBQs and industry.

Carnegie Corporate Bond had another strong month and rose 0.54 percent, taking the total rise for the year to 1.87 percent.

Although 2019 has started on a high note, we still see great uncertainty over the global outlook for risk assets, linked to a possible slowdown in the economy and continued global tensions. This means that we still intend to maintain a somewhat more conservative and balanced portfolio. However, in the wake of the broad re-pricing in 2018, we see continued opportunities to find attractive investments. With prevailing interest rates, we are placing even more emphasis on the balance between variable and fixed interest.

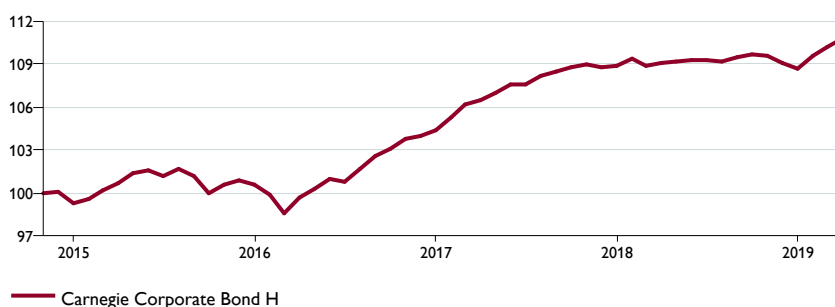
**RETURN % (CLOSING NAV)**

As of 31/03/2019

|  | YTD | 1 Year | 3 Year | 5 Year | Since inception |
|--|-----|--------|--------|--------|-----------------|
|  | 1.9 | 1.5    | 11.1   | -      | 10.4            |

**RETURN SINCE INCEPTION % (CLOSING NAV)**

As of 31/03/2019



**RETURN PER MONTH % (CLOSING NAV)**

As of 31/03/2019

| Year | Jan  | Feb   | Mar  | Apr  | May  | Jun   | Jul   | Aug  | Sep  | Oct   | Nov   | Dec   | Annual |
|------|------|-------|------|------|------|-------|-------|------|------|-------|-------|-------|--------|
| 2019 | 0.76 | 0.56  | 0.54 |      |      |       |       |      |      |       |       |       | 1.87   |
| 2018 | 0.41 | -0.43 | 0.19 | 0.05 | 0.16 | 0.00  | -0.13 | 0.31 | 0.10 | -0.06 | -0.41 | -0.36 | -0.16  |
| 2017 | 0.80 | 0.88  | 0.30 | 0.44 | 0.54 | -0.01 | 0.58  | 0.33 | 0.19 | 0.24  | -0.18 | 0.10  | 4.28   |

**MONTHLY REPORT  
MARCH 2019**



**NIKLAS EDMAN**

Manager since 2013 and in the business since 2007.

**MARIA ANDERSSON**

Manager since 2016 and in the business since 2006.

|                    |               |
|--------------------|---------------|
| Start date         | 01/10/2014    |
| Pricing            | Daily         |
| Morningstar rating | -             |
| Risk level         | 2 of 7        |
| ISIN               | LU1092653499  |
| Bloomberg          | BBBG007J2WNF7 |

|                            |             |
|----------------------------|-------------|
| Management fee             | 0.60%       |
| Minimum initial investment | 300,000 EUR |
| Asset under management     | 1 581 MEUR  |
| Dividend                   | No          |
| NAV (End of month)         | 110.44 EUR  |

Signatory of:



**FOR SWISS INVESTORS:**

The Company is established as a SICAV under Luxembourg law and the Sub-Funds are authorised by FINMA. The Swiss representative is Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva. The Swiss paying agent is Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva. Investors in Switzerland can obtain the documents of the Company, such as the Prospectus, the KIIDs, the Articles of Incorporation and the semi-annual and annual reports, each in their latest version as approved by FINMA, in German, and further information free of charge from the Swiss representative.

Historical returns are no guarantee of future returns. Money invested in the fund may both increase or decrease in value and there is no guarantee that you will be repaid all of your invested capital. Complete prospectus and fund statutes are available at [www.carnegiefonder.se](http://www.carnegiefonder.se).

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CREDIT QUALITY BONDS%

As of 31/03/2019

|      |      |      |      |
|------|------|------|------|
| AAA  | 15.7 | BBB  | 7.2  |
| AA+  | 0.0  | BBB- | 10.5 |
| AA   | 0.0  | BB+  | 8.6  |
| AA-  | 0.0  | BB   | 7.3  |
| A+   | 5.2  | BB-  | 10.9 |
| A    | 1.1  | B+   | 5.8  |
| A-   | 6.6  | B    | 13.1 |
| BBB+ | 5.7  | B-   | 2.3  |

Average credit rating of at least investment grade

LARGEST ISSUER %

As of 31/03/2019 (Excl. covered bonds)

|            |      |
|------------|------|
| SBB        | 2.6  |
| B2 Holding | 2.5  |
| Telia      | 2.4  |
| Ellevio    | 2.2  |
| Akelius    | 2.2  |
| Teekay LNG | 1.9  |
| Heimstaden | 1.8  |
| Kungsleden | 1.8  |
| DSV        | 1.7  |
| Telenor    | 1.6  |
| Total      | 20.7 |

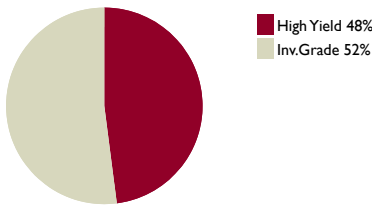
KEY STATS

As of 31/03/2019

|   |       |
|---|-------|
| Yield to maturity % (currency adjusted) | 2.95  |
| Yield to maturity %                     | 4.13  |
| Current Yield %                         | 3.73  |
| Credit duration (yrs)                   | 3.05  |
| Duration (yrs)                          | 0.77  |
| Standard Deviation %, 1 Year            | 1.25  |
| Standard Deviation %, 3 Year            | -     |
| Sharpe Ratio, 1 year                    | -8.34 |
| Sharpe ratio, 3 Year                    | 1.37  |

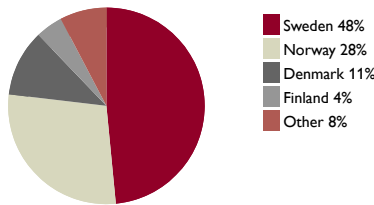
ALLOCATION HIGH YIELD/INV.GRADE %

As of 31/03/2019



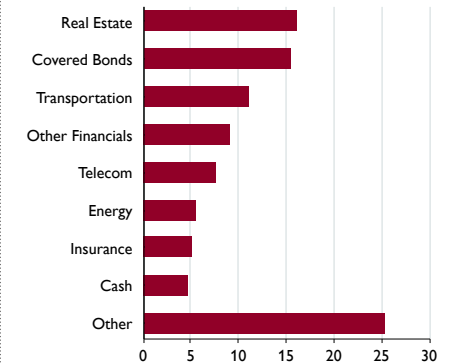
GEOGRAPHICAL BREAKDOWN %

As of 31/03/2019



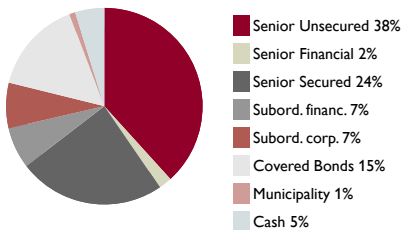
SECTOR BREAKDOWN %

As of 31/03/2019



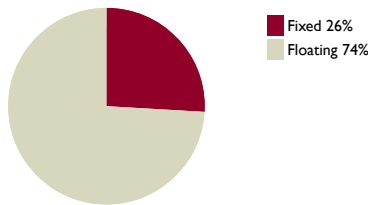
CAPITAL STRUCTURE %

As of 31/03/2019



BOND BREAKDOWN %

As of 31/03/2019



MATURITY %

As of 31/03/2019

|           |      |
|-----------|------|
| <1 year   | 11.9 |
| 1-3 years | 35.2 |
| 3-5 years | 47.3 |
| >5 years  | 5.6  |

ABOUT CARNEGIE FONDER

We specialise in equity funds and fixed-income funds in Sweden, the Nordic region and in the world's emerging markets. Our funds invest in a selected number of attractively valued assets that we really believe in – an investment philosophy we call focused value management, and which we have retained since our foundation in 1988.

CONTACT INFORMATION

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