

# FIRST Yield

<b>Facts about the fund</b>	FIRST Yield
AuM (NOK mill)	NOK 828 mill
Management company	FIRST Fondene
Portfolio manager	Henry Grepstad
Launch date	10th of September 2010
NAV	1024,71
Fund type	NOK Bonds
Liquidity	Daily
Dividend	Accumulated
Currency	NOK
ISIN	NO0010584113
Bloomberg code	FLANGRE NO Equity

## Terms

Management fee	0,60 % annually
Performance fee	No
Min. investment	NOK 1000
Cut-off time	kl 12.00
High water mark	No
Swing pricing	Yes

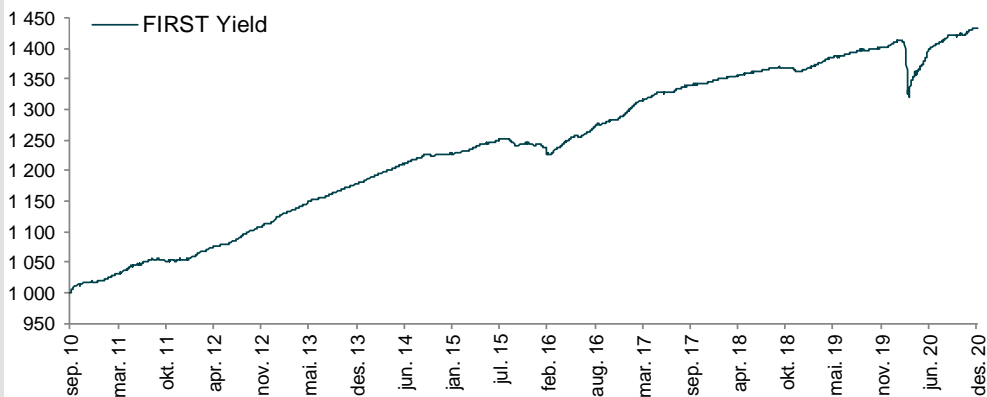
## Return and risk statistics

Previous month	0,37 %
YTD	2,15 %
1 year	2,15 %
3 years	6,54 %
Since inception	43,41 %
SRRI	2

## Investment philosophy

Through active management FIRST Yield aims for an annual absolute return after costs of 1 - 3 %. The fund will also try to achieve a positive absolute return on an annual basis.

The fund takes active positions based on analysis and assessments of the interest rate and credit markets. The fund will also take specific exposures to changes in interest rates and the slope of the yield curve. Exposure to the credit market is taken through investments in bonds where the fund considers the payment for the risk to be good. The fund will always have a minimum of 80% of the portfolio invested in Investment Grade bonds.



## Total return (net of fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2016</b>	-0,3 %	-1,0 %	1,0 %	0,7 %	0,7 %	0,0 %	0,6 %	0,9 %	0,2 %	0,4 %	0,1 %	0,6 %	3,87 %
<b>2017</b>	0,9 %	0,8 %	0,4 %	0,4 %	0,4 %	0,0 %	0,3 %	0,3 %	0,3 %	0,2 %	0,0 %	0,2 %	4,26 %
<b>2018</b>	0,3 %	0,2 %	0,1 %	0,2 %	0,2 %	0,2 %	0,2 %	0,2 %	0,1 %	0,0 %	-0,2 %	-0,1 %	1,27 %
<b>2019</b>	0,3 %	0,4 %	0,4 %	0,4 %	0,2 %	0,2 %	0,3 %	0,3 %	0,1 %	0,2 %	0,1 %	0,2 %	2,98 %
<b>2020</b>	0,5 %	-0,1 %	-4,9 %	1,8 %	1,3 %	1,5 %	0,5 %	0,6 %	0,2 %	0,0 %	0,5 %	0,4 %	2,15 %

Key statistics	December	Previous month	Rating	Weight
Yield to maturity	2,7%	2,7%	AA and higher	14 %
Interest rate duration	0,5	0,5	AA- to A-	21 %
Credit duration	2,2	2,3	BBB+ to BBB-	50 %
			High yield	16 %
			Average rating	BBB

Largest holdings	Weight	Sector	Weight
Gjensidige Forsikring ASA	6,01 %	Financials	52,12 %
BKK AS	4,26 %	Utilities	13,26 %
Statnett SF	3,78 %	Government	10,05 %
Sparebanken Sør Boligkreditt AS	3,41 %	Industrials	7,64 %
SpareBank 1 Østlandet	3,19 %	Cash	4,30 %
Sparebanken Vest	2,90 %	Real Estate	2,88 %
Lyse AS	2,69 %	Telecommunication Services	2,28 %
Tryg Forsikring A/S	2,54 %	Information Technology	2,22 %
Harstad kommune	2,52 %	Energy	1,83 %
Rogaland fylkeskommune	2,49 %	Consumer Staples	1,77 %

## Contact information

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\*This fact sheet must not be used as the basis for investment decisions. Historical returns are no guarantee of future performance. Future returns will depend on the market development, managers skills, the funds risk, as well as costs of subscription, administration and redemption. The return may be negative due to currency movements. The yield to maturity may change from day to day and is therefore no guarantee for the return for the period for which it is calculated for. The investor is encouraged to read the fund's simplified prospect.

## Portfolio comment

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The return on the fund was 0.4% in December. The effective yield in the fund is now 2.7 % (2.1 % net after costs). The average rating for the portfolio is estimated to be BBB, same as last month. The interest duration is approximately 0.5 years (0.5 last month) and the credit duration is approximately 2.2 years (down from 2.3 last month).

Both November and December have been good months for both IG bonds with floating interest rates and High Yield. Fixed interest rates here at home, measured by a 10-year interest rate swap, have risen by about 30 bp over the last two months from 0.96% to 1.28%. We think IG exposure, and

then more specifically a part within A and BBB looks relatively good now. But we mainly stick to floating rate bonds for a while longer.

Within High Yield (HY) we now have 16% exposure (same as last month) and we believe it is right to be in the range 15 - 19% going forward. We still consider the credit premiums within HY to be very attractive.

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