

FIRST Rente (Investment Grade)

Facts about the fund	FIRST Rente
AuM (NOK mill)	NOK 835 mill
Management company	FIRST Fondene
Portfolio manager	Henry Grepstad
Launch date	10th of September 2010
NAV	1015,57
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

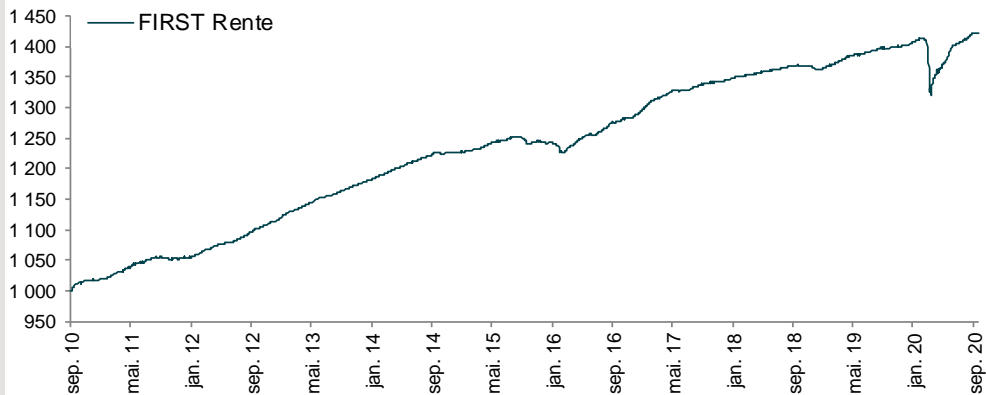
Return and risk

statistics	
Previous month	0,20 %
YTD	1,24 %
1 year	1,72 %
3 years	6,05 %
Since inception	42,13 %
SRRI	2

Investment philosophy

Through active management FIRST Rente 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
2016	-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 %
2017	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 %
2018	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 %
2019	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 %
2020	0,5 %	-0,1 %	-4,9 %	1,8 %	1,3 %	1,5 %	0,5 %	0,6 %	0,2 %				1,24 %

Key statistics	September	Previous month	Rating	Weight
Yield to maturity	2,5%	2,7%	AA and higher	20 %
Interest rate duration	1,0	1,1	AA- to A-	20 %
Credit duration	2,8	2,9	BBB+ to BBB-	46 %
			High yield	16 %
			Average rating	BBB+

Largest holdings	Weight	Sector	Weight
Sparebanken Sør	5.81%	Financial	43 %
Gjensidige Forsikring ASA	5.26%	Industrial	30 %
SpareBank 1 Boligkreditt AS	4.22%	Government	11 %
Sparebanken Vest	3.71%	Covered	9 %
Sparebank 1 Østlandet	3.21%	Utilities	7 %
Nordea Bank Abp	2.78%		
Lyse AS	2.69%		
Harstad Kommune	2.51%		
Fredrikstad Kommune	2.48%		
SpareBank 1 Gruppen AS	2.46%		

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

The fund rose 0.2 % in September and is now up 1.24 % so far this year. The effective yield in the fund is now 2.5 % (1.9 % net after costs). The average rating for the portfolio is estimated to be BBB +, the same as last month. The interest duration is approximately 1.0 years (1.1 last month) and the credit duration is approximately 2.8 years (2.9 last month).

There has been high activity in both IG and HY markets after the summer. The market was marginally weaker at the same time as the stock markets in September, and we have had a decline in

fixed interest rates here at home of 10-15 bp during last month.

The reason for the decline is probably that the economic recovery appears to be somewhat weaker and probably takes longer than Norges Bank thought in June.

Within High Yield, we now have 16 % exposure (down from 18 % last month), and we believe it is right to be in the range 15 - 19 % going forward. We still consider the credit premiums within both IG and HY to be very attractive.

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