

VINGA
CORPORATE BOND

MONTHLY REPORT
FEBRUARY 2022



The upside is getting bigger!

The Russian invasion of Ukraine had a negative effect on the Nordic high yield market during the last days of February. The performance of Vinga has been decelerating since September last year. Weak stock markets, hawkish central banks and increasing commodity prices have held back the performance. The prices of the bonds have been fallen successively and with the decrease the last couple of days 75% of Vinga's bonds are now trading below par (price 100). This means that Vinga has a substantial price upside alongside attractive coupon payments.

Stefan Westfeldt

Principal Portfolio Manager

Gustav Andåker

Portfolio Manager

PERFORMANCE - FEBRUARY 2022

-1,72 %

PERFORMANCE - 2021

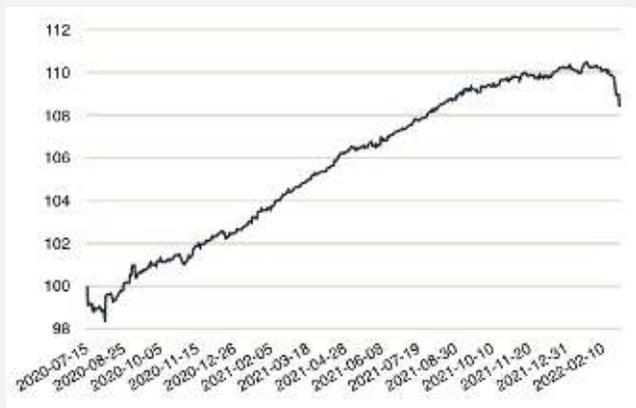
+7,39 %

PERFORMANCE - SINCE INCEPTION

+8,39 %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2022	0,06 %	-1,72 %											-1,66 %
2021	0,89 %	0,85 %	0,86 %	0,94 %	0,20 %	0,73 %	0,77 %	0,71 %	0,38 %	0,34 %	0,01 %	0,46 %	7,39 %
2020	-	-	-	-	-	-	-1,17 %	1,60 %	0,51 %	0,11 %	1,16 %	0,42 %	2,63 %

/ PERFORMANCE SINCE INCEPTION /



/ COMMENT - FEBRUARY /

The Russian invasion has not led to massive selling in the Nordic high yield market. Most investors are sitting this out. The market is priced lower and market makers have widened the bid/ask spread. We have added Heimstaden's subordinated bond at yield 6%. The bond is a large and liquid real estate bond. We have also added to our positions in Scan Transgroup and Humble Group. We judge these bonds to be the first that catches a bid when the market goes up again.

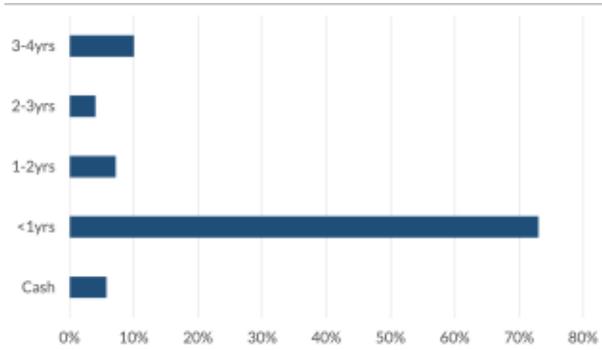
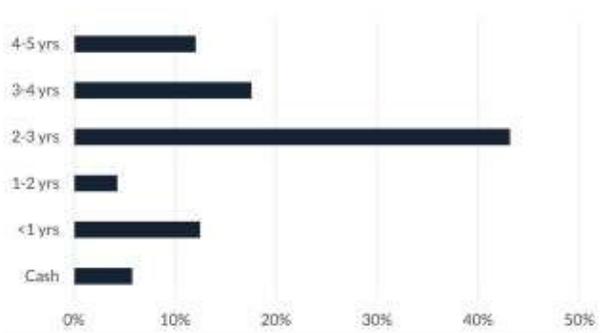
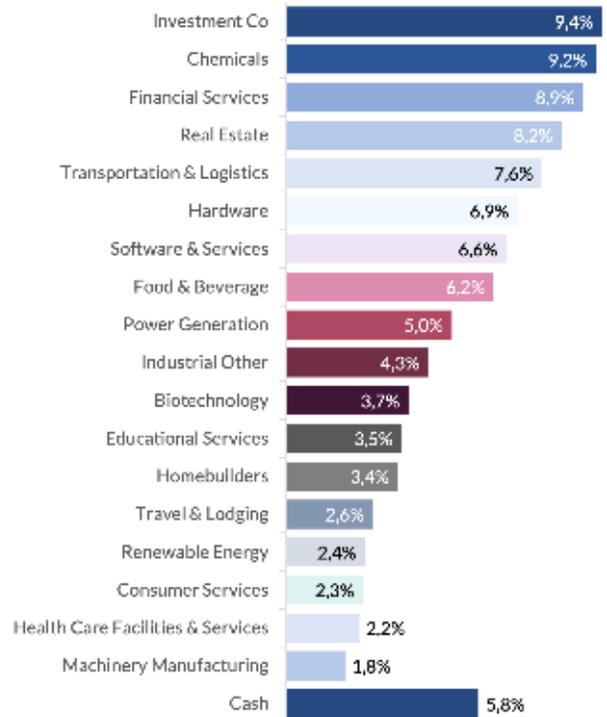
To take part of the restart of the travelling sector, Vinga has acquired a position in Hurtigruten. The company's senior secured bond is trading at yield 7%.

/ LARGEST HOLDINGS /

Issuer	Weight %	Yield %
SCAN TRANSGROUP INTL	5,9 %	6,5 %
HUMBLE GROUP AB	5,7 %	6,2 %
ESMAEILZADEH HOLDING AB	5,4 %	7,1 %
HEIMSTADEN AB	4,8 %	5,9 %
SERNEKE GROUP AB	4,3 %	10,2 %
VNV GLOBAL AB	4,0 %	4,5 %
BICO GROUP AB	3,7 %	6,7 %

/ OUTLOOK /

The world economy is in a good shape. Most countries have removed their virus-related restrictions and the purchasing managers of the service industries have become a lot more optimistic about the future. The service industry is the largest corporate sector and has large impact on economic growth. The Chinese economy has started to pick up speed again after several steps of easing monetary policy. The central banks will be a bit more cautious about raising interest rates when there is a war going on and when energy prices so high that they are dampening economic growth. All in all, we expect the Ukraine war to have a limited effect on the Nordic high yield market.

/ DURATION PROFILE /

/ MATURITY PROFILE /

/ SECTOR ALLOCATION /

/ FUND FACTS /

Type:	UCITS fund
Trading:	Daily trading and pricing
Currency:	SEK and EUR
Risk class:	3 of 7
Fixed fee	
Class A:	1,25% (min. investment SEK 100)
Class B:	0,65% (min. investment SEK 5M)
Class C:	1,25% (min. investment EUR 10)
Class D:	0,65% (min. investment EUR 0,5M)
Performance fee:	20% above OMRX T-BILL +2%

The fund is actively managed, meaning that bonds are selected individually after a thorough analysis of each issuer and market. The fund invests primarily in bonds issued by Nordic companies and is suited for investors with a preferred investment horizon of 2-3 years.

While the main focus is corporate bonds in the high yield segment (with lower credit ratings), the fund can also invest in instruments with higher credit ratings ("investment grade") as well as in instruments without credit rating. At least 70 percent of the fund's capital must be invested in corporate bonds and the portfolio managers can use derivatives as part of the fund's investment mandate, as well as to reduce unwanted risk.

The objective of the fund is to achieve capital growth that, over a period of 3 years, exceeds the performance of the fund's benchmark index, OMRX T-BILL +2 percentage points per year.

LEGAL INFORMATION

Fund company

Vinga Corporate Bond is a securities fund pursuant to the Swedish Investment Funds Act (LIF) (2004:46). The fund company for Vinga Corporate Bond is AIFM Capital AB, a subsidiary of AIFM Group AB. The fund is administered through a contractual agreement with AIF Management AB.

Fund manager

Vinga Corporate Bond is managed as a discretionary mandate by SIP Nordic Fondkommission AB, a Swedish licensed securities company authorized by the Swedish financial supervisory authority. The Principal Portfolio Manager is Stefan Westfeldt.

Fund company: AIFM Capital AB

Fund administration: AIF Management AB

Fund manager: SIP Nordic Fondkommission AB

Custodian bank: Swedbank AB

RISK INFORMATION

Historical returns are no guarantee of future returns. The money invested can both increase and decrease in value, and there is no certainty that you will get back the entire amount invested. Contact us for more information.

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