



VINGA
CORPORATE BOND

MONTHLY REPORT
JUNE 2022



The Swedish Riksbank raises Vinga's coupons!

The Nordic high yield market is stressed about what high inflation and hawkish central banks mean for global growth. We outline our view below. However, one thing is certain – the era of the savers has started. It is genuinely sound that saving accounts will pay out interest again. Vinga's yield is now record high (>9%). The fall in bond prices during 2022 and the Riksbank's hikes have created a very attractive return potential for Vinga.

Stefan Westfeldt
Principal Portfolio Manager

Gustav Andåker
Portfolio Manager

PERFORMANCE - JUNE 2022

-3,88 %

PERFORMANCE - 2022

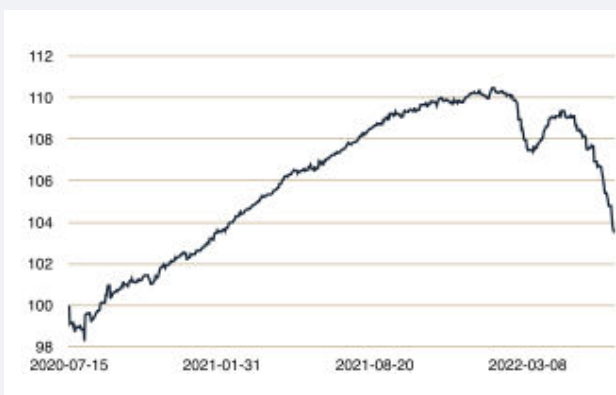
-6,11 %

PERFORMANCE - 1 YEAR

-3,56 %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2022	0,06 %	-1,72 %	0,09 %	0,53 %	-1,27 %	-3,88 %							-6,11 %
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 - JUNE /

We have had a big repricing of assets. Interest rates (discount rates) have increased, and it means all else equal that asset prices should go down. However, interest sensitivity varies much between asset classes. Nordic high yield, dominated by floating rate bonds has a lower interest rate sensitivity. Vinga is down 6% in 2022 while global high yield is down 16%. The Swedish equity market is down more than 20%.

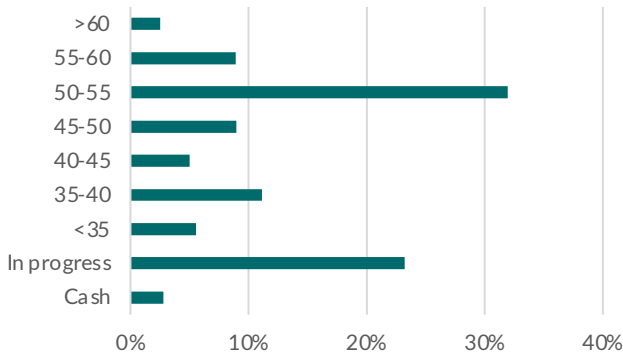
Real estate is the worst performing sector in June. SBB's bonds have fallen sharply and the bond Vinga holds has a yield to call of 24%. Overall Vinga has limited exposure to the real estate market, totaling 5% of the fund.

/ LARGEST HOLDINGS /

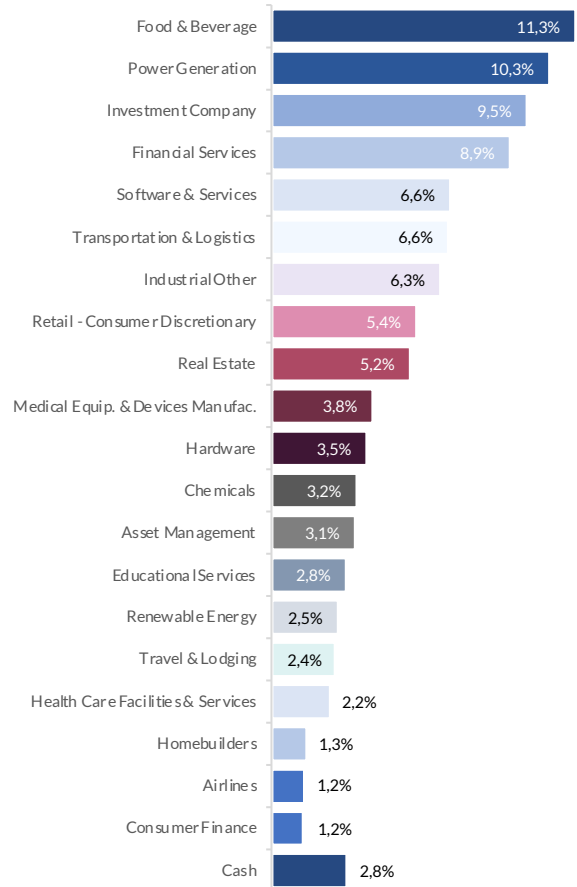
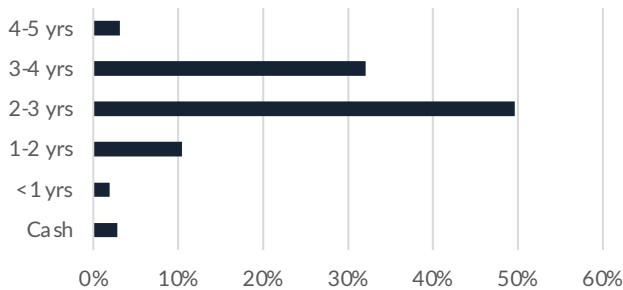
Issuer	Weight %	Yield %
SGL INTERNATIONAL AS	5,9%	8,6%
HUMBLE GROUP AB	5,7%	8,4%
ESMAEILZADEH HOLDING AB	5,5%	9,5%
SOLIS BOND (ALTERNUS ENERGY)	4,2%	8,6%
ARISE AB	4,1%	6,1%
VNV GLOBAL AB	3,9%	6,9%
BICO GROUP AB	3,8%	15,5%

/ OUTLOOK /

Inflation has surprised most market participants on the upside. There are temporary effects in the inflation measure due to Covid and the war. Some of the inflation components have peaked and are on the way down like freight, industrial metals, and fertilizer prices. We argue that central banks will hike less than expected and there is a chance of a cut in mid-2023. China has opened up and the latest PMI's are pointing to expansion in both manufacturing and service industries. Several indicators are pointing to an oversold situation in the Nordic high yield market, and it will only take a few buyers to turn the market around.

/ ESG SCORE /


The ESG score is based on the fundamental ESG research and ESG scoring methodology of sustainAX. The ESG research is used as input in the ESG risk integration in the investment decisions. Low ESG risk is reflected by a high ESG score and the range is 0-100. The average score for the issuers that are rated is 48,5.

/ SECTOR ALLOCATION /

/ MATURITY PROFILE /

/ 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.

CONTACT

Telefon: +46 (0) 707-361253

Email: info@vingacorporatebond.se

Webb: vingacorporatebond.se
