

**VINGA**  
CORPORATE BOND

MONTHLY REPORT  
MAY 2022



## *Signs of excessive risk aversion*

Anxiety returned to the Nordic high yield market in May, and Vinga ended down over one percent. Toward the end of the month, prices of subordinated real estate bonds from big Nordic issuers like Balder, Heimstaden and SBB fell 5-10%. These companies have solid property assets and can partly adjust rent income to fend off higher costs. Our view is that the market has become too gloomy, and we see upside going into the summer months.

**Stefan Westfeldt**  
Principal Portfolio Manager

**Gustav Andåker**  
Portfolio Manager

PERFORMANCE - MAY 2022

**-1,27 %**

PERFORMANCE - 3 MONTHS

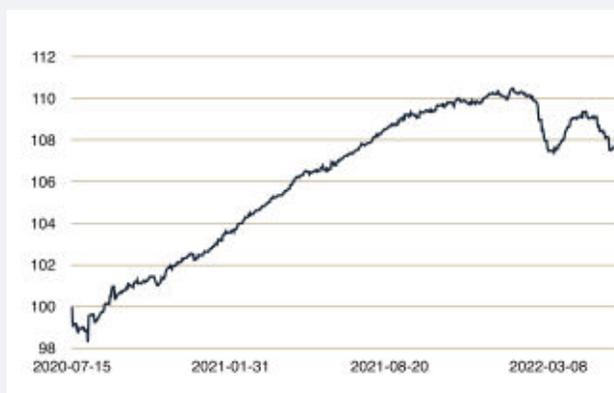
**-0,66 %**

PERFORMANCE - 1 YEAR

**+1,07 %**

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 %								-2,31 %
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 - MAY /

During May, we increased Vinga's exposure to our favorite sector, which is Power Generation. Vinga participated in Arise's new 4-year dark green bond at yield 5,75%. Arise has a long successful history of developing and managing wind power plants. Vinga's exposure to renewable energy consists now of European Energy (sun and wind), Arise (wind) and Alternus Energy (sun).

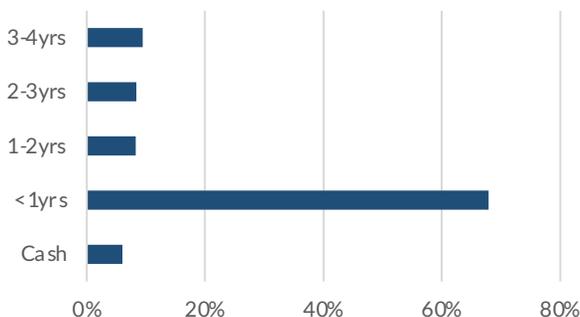
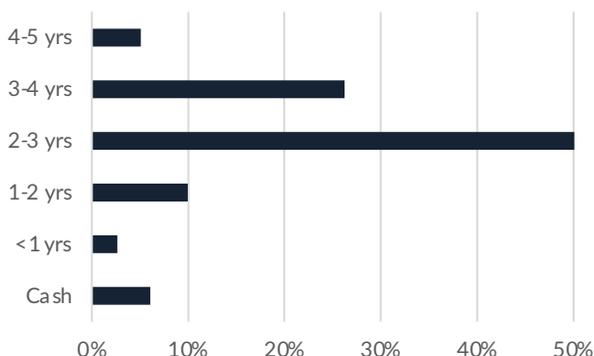
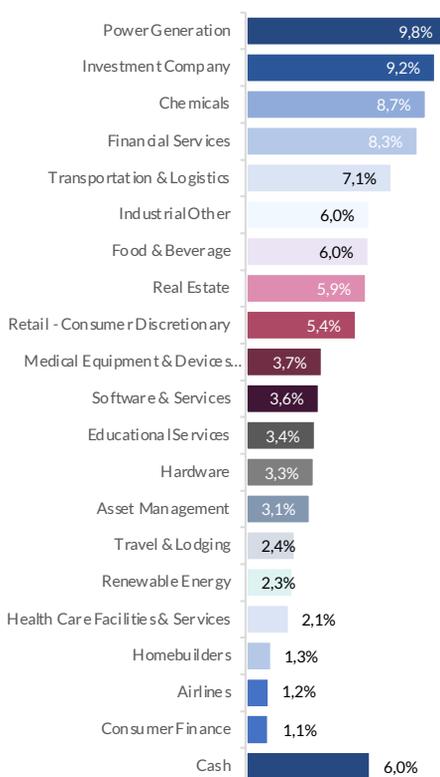
We divested wall art retailer Desenio's bond at price 74,50. The company has lost the market's trust (stock is down >90%), and the future of the company has become uncertain. At the same time, Vinga got a positive boost when Serneke made an early redemption of its bond at price 103,50.

### / LARGEST HOLDINGS /

Issuer	Weight %	Yield %
SGL INTERNATIONAL AS	5,6%	6,4%
HUMBLE GROUP AB	5,6%	7,0%
ESMAEILZADEH HOLDING AB	5,3%	7,3%
SOLIS (ALTERNUS ENERGY)	3,9%	6,5%
ARISE AB	3,9%	5,5%
VNV GLOBAL AB	3,9%	5,6%
BICO GROUP AB	3,7%	12,3%

### / OUTLOOK /

There are several risk factors (war, inflation, Omicron in China) that, if escalating, can have a negative impact on the global economy. At the same time, there are reasons to be a bit more optimistic. First, the market is significantly cheaper, meaning it offers better compensation for risk. Second, US inflation is topping out, which indicates there are temporary factors that are now easing and can start working in the opposite way. Third, China is reopening, which will be positive for the global economy. A full reopening of Chinese ports is positive for the part of inflation that is supply-driven.

**/ 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.

## CONTACT

**Telefon:** +46 (0) 707-361253

**Email:** [info@vingacorporatebond.se](mailto:info@vingacorporatebond.se)

**Webb:** [vingacorporatebond.se](http://vingacorporatebond.se)

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