

Fund		Key figures				
Sub-Fund	CABA Hedge KL W	Total	DK	SE	NO	DE
ISIN	DK0061677804	Leverage	17,76	0,07	17,53	0,16
AUM Strategy	DKK1018m	Max drawdown (%)	-32,61	-	-	-
NAV	144,21	Max drawdown (days)	1219	-	-	-
		Spread risk (% of limit)	98,7	6,9	65,1	1,3
		Spread risk (@ 1 bp)	0,513	0,036	0,470	0,007
		Duration (@ 1 bp)	0,054	0,249	-0,002	0,023
		Convexity (@ 1 bp)	-0,008	0,011	-0,006	0,001
Return(%)						
YTD	5,64					
Month	1,50					

March 2025 report

General Market Trends:

- ECB (6 Mar), BoC (12 Mar) and SNB (20 Mar) all cut interest rates by 25bp to 2.65%, 2.75% and 0.25% respectively.
- FED (19 Mar), BoJ (19 Mar), Riksbanken (20 Mar), Bank of Norway (27 Mar) all kept policy rates unchanged.
- Germany upper house cleared a massive defense bill and the creation of a new EUR 500bn special fund to finance infrastructure projects, thus putting all European government bonds under pressure. Bund ASW traded as low as -15,5 bp the 6 of March - probably a low for this time. Bund ASW ended March at -6.
- iTraxx 5y Senior Financials 69 (58), 5y Crossover 327 (289) and VIX index 22 (20) are all up.
- Stocks had a bad month. US Equities struggled with Nasdaq, S&P and Dow Jones down 8%, 6% and 4%. Euro Stoxx-600 being down 4%.
- US and European rates were again moving in opposite directions. EUR 2y and 10 swaps were up 5 and 32 bp, respectively while US swaps were down 12 and 2 bp for 2y and 10y swaps respectively. I.e. 2-10 27 bp bear-steeper in EUR while 10 bp bull-steeper in US.

Denmark:

- CPI (10 Mar) surprise jumped to 2.0% yoy vs prior 1.5%.
- Callable bonds had a very good month with a performance of more than 10bp for high coupon bonds (2% and higher). Lower coupon bonds gained 5-10bp. The performance vs government bonds were 2-3 bp higher reflection the change in the Danish government bonds ASW spreads.
- Fixed rate bullets and floaters also had a good performance month but only in the magnitude of 2-5bp vs swaps, with best performance for the longer bonds.
- Due to the (anticipated) tighter liquidity situation in DKK, Danish swap rates underperformed vs EUR. We find this overdone and establish new long positions in DKK swaps vs EUR.

Sweden and Norway:

- Swedish CPI (6 Mar) continued to rise (Ex energy yoy 3.0%, exp 2.7)
- Norwegian CP (10 Mar) came in surprisingly high (Ex energy yoy 3.6%, exp 2.6 up from 2.3), and triggered a jump in rates of up 20bp.
- Both Norway and Sweden are planning for huge investments in defense.
- SEK continued to appreciate vs EUR. (5.3% ytm, 2.5% mtm).
- Swedish covered bonds traded in tandem with Denmark, and performed 4bp for 5y bonds.
- Norwegian covered bond lagged and lost 3bp in March.

Performance



Drawdown %



Spread Risk, Limit %

