
Portfolio Manager comment Coeli High Yield Opportunities I SEK August 2025

This is a marketing communication.

Before making any final investment decisions, please read the prospectus, its Annual Report, and the KID of the relevant Sub-Fund [here](#). Note that the information below describes the share class (I SEK), which is a share class reserved for institutional investors. Investments in other share classes generally have other conditions regarding, among other things, fees, which affects the share class return. The information below regarding returns therefore differs from the returns in other share classes.

Coeli High Yield Opportunities (Class I) advanced by 0.83% during August. Since year-end, the NAV per share has consequently advanced by 2.76%. During the month, stock markets developed sideways, with a moderate rise in the US and a slight fall in Europe, while the yield curves for government bonds steepened with falling short-term yields while longer-term yields rose slightly.

Short-term yields were driven lower by weak US labour market statistics and statements from the Federal Reserve's Powell at the Jackson Hole conference pointing towards interest rate cuts in the autumn. In the Nordics, both the Riksbank and Norges Bank decided to leave their policy rates unchanged. In Sweden the message of a 50/50 probability of another interest rate cut was repeated, while the central bankers in Oslo announced that monetary policy easing was likely if the economy developed in line with the forecast.

Long-term government bond yields rose as a result of concerns about the sustainability of US government finances and increased political interference from the White House over monetary policy, after repeated attacks on the Fed chairman, a governor was removed for alleged misconduct. In Europe, long-term interest rates were driven higher after a budget proposal with extensive austerity measures threatened to trigger a government crisis in France.

In Sweden, GDP statistics were presented, showing that growth in the second quarter amounted to 1.9% at an annual rate. The outcome was somewhat better than feared but shows that the recovery is still slow and that households are holding tight to their wallets. The National Institute of Economic Research's barometer indicator suggests some brightening with improved sentiment among both households and the business community.

Among the month's largest contributors was the insurance company SiriusPoint, which released strong figures for the second quarter. The company continues to deliver good growth and improved margins while its balance sheet remains strong. Higher bond prices were also seen for Floatel, operator of offshore accommodation and construction support units, after the company reported results in line with expectations and confirmed its guidance for 2025. The credit management company Hoist Finance also made a notable contribution to the result after issuing new subordinated bonds at a relatively tight level.

Negative contribution to the result came mainly from Flora Food Group that continued its negative trend since issuance in June without any company news being released. Towards the middle of the month, trading in Flora stabilized and more bonds were added to the portfolio at what is believed to be attractive spread level. Further, some price pressure were seen for Topsoe as the issuer reported lower revenue due to postponed customer projects.

During the month a handful of new issuers were added to the portfolio including Moreld, Scatec, Prilog and JDC. Through the implemented changes, the diversification over geographies and industries was enhanced.

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