Portfolio Manager comment Coeli High Yield Opportunities I SEK September 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 0.63% during September. Since year-end, the NAV per share has consequently advanced by 3.41%. September turned out to be a relatively clam month and offered continued performance for risky assets, not at least in the US equity markets where several indices reached new all-time highs. The macro event with most market impact was the revision of US GDP figures for the second quarter, indicating that the economy still is strong and growing at annualized rate of close to four percent. Despite the rosy backdrop signals from the markets are ambiguous, the gold price keeps soaring and the US dollar continues to depreciate.

Investor sentiment was somewhat supported by central banks, most notably by the Fed that lowered is target rate by 25bps to the interval 4-4.25%. Comments from chairman Powell following the decision where interpretated as rather hawkish and the market consequently came to discount fewer rate cuts in the coming quarters. In the Nordics both the Riksbank and Norges Bank followed suit with lowered policy rates. In Sweden the policy rate is expected to remain at the current level of 1.75% until the end of next year. In Norway the central bank projects rates to be lowered by a further percentage point over the coming two years from todayâ??s level of 4%.

The largest contributor in September was Klarna Bank, whose subordinated bonds appreciated after the bank was listed on the New York Stock Exchange. NOBA Bank was also listed during the month, in this case on NASDAQ Stockholm. As a listed company, access to capital improves and analyst coverage increases, which all points to tighter credit spreads going forward.

SiriusPoint announced at the end of the month that its subsidiary Armada Care, active in health insurance, has been divested. The transaction will result in a significant gain upon completion and increase the companyâ??s equity by approximately 10%. Bonds from B2 Impact and Protector Forsikring were also found among the largest positive contributors. In both cases, the performance was underpinned by new bond issues, which resulted in tighter curves for both issuers.

Swedbank had its rating upgraded by one notch to AA- (stable) by S&P. The rating action came after the SEC concluded its investigation into Swedbankâ??s historical AML deficiencies. S&P further notes that the bankâ??s corporate governance, compliance and risk management have been significantly strengthened in recent years. The installation company Assemblin Caverion also had its rating raised by one notch, in this case to B+.

On the negative side one mainly found the Finnish real estate company Citycon, whose bonds were retreated after the companyâ??s credit rating was downgraded by one notch due to the CEO being replaced after only five months in his post.

Activity on the Nordic primary market increased sharply in September with a record issuance volume of high-yield bonds. The fund participated in a handful of issues and increased its holdings of bonds from, among others, Storskogen, Conapto, Sehlhall Fastigheter and Jacktel. The holding of bonds from Green Landscaping was sold due to high valuation.
Date Created