
Portfolio Manager comment Coeli Nordic Investment Grade 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 (R SEK), which is a share class reserved for private investors. Investments in other share classes generally have other conditions regarding, among other things, fees, which affects the share class's return. The information below regarding returns therefore differs from the returns in other share classes.

Nordic Investment Grade advanced by 0.37% during August. Since year-end, the NAV per share has consequently increased by 2.48%. 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. Good development was also seen for bonds from Billerud. The packaging manufacturer reported at the end of July challenging market conditions in Europe while profitability in North America improved. The Norwegian insurance company Protector also made a notable contribution to the result after issuing new bonds at a relatively tight level.

The fund participated in several new issues from, among others, Swedbank, Jyske Bank and the Gothenburg-focused real estate company Platzer. In addition, bonds from the pharmaceutical company SOBI and the electricity grid operator Ellevio were added, two relatively un-cyclically issuers that contribute to increased risk diversification in the fund.

Date Created
2025/09/04