

PERFORMANCE The fund performed +1.4% in May, which corresponds to a performance of +3.0% year to date. European banking stocks (Stoxx600 Banks) increased with +4.5% in April, while AT1 CoCo's were positive with +0.7% (ICE BofAML CoCo index). European banking stocks are positive with +5.8% year to date while AT1 CoCo's are negative with -0.3% for the same period.

MARKETS Markets continue to be stuck in a state of headline roulette, with news that the US and Iran are getting closer to a deal one day and with officials denying the news the next day. Both oil price and long interest rates fell in May, as rumours and news hinted of an imminent deal between the US and Iran. A deal would consequently lead to an opening of the strait of Hormuz. In the time of writing we still do not have a deal and the stalemate is dragging on. The oil price has been contained due to use of inventories and release of strategic reserves. The longer the Hormuz standoff drags on, the higher the risk that oil inventories hit critical levels, on the other side the global economy have shown a remarkable flexibility and resilience to what the International Energy Agency describes as the worst energy shock in history.

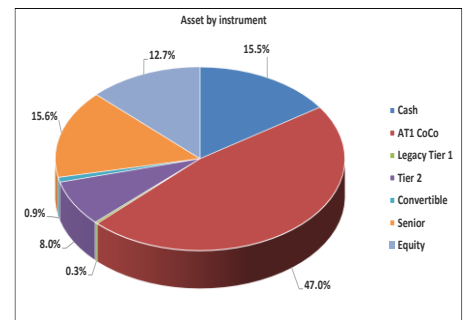
NEW ISSUANCE May was a strong month for new bond issuance within the financial sector. All issues had strong demand with high bid to cover ratio, leading to re-pricing from initial price talks. Within the AT1 CoCo space, we noticed that 25% of the new issuance, in major currencies, were issued with 10 years to first call. AT1's cannot be redeemed for 5 years, as this is the minimum period required for them to count as regulatory capital. Longer non-call periods have not been as common. Despite a relatively flat spread curve between 5 and 10 years, underlying high rates attracts investors.

Fund data and facts

Share class	BI (accumulating)
ISIN	LU0560186115
Bloomberg ticker	NDISEBI LX
Depository Bank	BIL Luxembourg
Domicile	Luxembourg
Lock-up	No
Subscriptions/redemptions	Weekly/Weekly
Base currency	EUR
Minimum investment (EUR)	125,000
Annual management fee	1.00%
Performance fee	20%, hurdle rate 5%
AUM (EURm)	39.1
Number of holdings	50
Portfolio Manager	Lux Nordic
Launch date	30.11.2010

Performance data

Net asset value per share	241.35
Since inception	141.4%
YTD	3.0%
1 year	8.1%
3 year	49.1%
5 year	30.5%



PORTFOLIO STATISTICS

Yield to call	6.67%
Yield to maturity/perpetuity	6.94%
Modified duration	2.14
Credit duration	3.31
Credit spread	323

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Returns, net of fees - EUR

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010												-3.1%	-3.1%
2011	2.3%	3.1%	1.4%	3.2%	-0.9%	-7.4%	-3.7%	-11.2%	-11.9%	6.1%	-10.5%	5.0%	-23.8%
2012	18.1%	14.6%	4.1%	-4.1%	-6.9%	2.4%	3.4%	6.3%	6.3%	3.2%	3.7%	5.3%	69.8%
2013	2.6%	-3.5%	0.9%	5.2%	3.3%	-4.7%	2.7%	1.3%	3.4%	4.9%	3.9%	1.2%	22.8%
2014	1.4%	2.0%	2.0%	3.2%	4.9%	1.4%	-3.4%	-1.2%	-2.0%	-2.4%	1.2%	-4.8%	1.9%
2015	-5.6%	8.8%	0.2%	3.8%	-0.4%	-3.4%	1.3%	-2.6%	-0.7%	7.9%	0.6%	-0.5%	8.8%
2016	-7.6%	-3.3%	4.6%	2.7%	1.6%	-5.0%	2.5%	2.2%	-1.9%	2.6%	-1.3%	0.8%	-2.7%
2017	3.0%	-0.2%	1.3%	0.3%	-1.0%	-2.1%	0.8%	0.4%	-0.4%	3.3%	-0.2%	1.1%	6.5%
2018	1.5%	-0.4%	-2.2%	1.5%	-2.6%	-0.6%	1.4%	-0.4%	-0.3%	-1.8%	-2.3%	-2.1%	-8.2%
2019	1.9%	2.1%	0.2%	3.2%	-1.1%	0.7%	0.2%	-0.9%	0.8%	0.7%	1.0%	0.5%	9.7%
2020	0.6%	-1.3%	-10.5%	3.9%	1.3%	1.0%	0.4%	1.7%	-0.4%	0.1%	4.1%	0.7%	0.8%
2021	0.1%	0.9%	0.8%	0.7%	0.5%	0.2%	0.4%	0.5%	-0.1%	0.2%	-1.3%	1.2%	4.1%
2022	-0.5%	-3.0%	-0.1%	-2.1%	-0.5%	-6.5%	3.2%	-1.7%	-5.6%	1.9%	2.4%	0.0%	-12.3%
2023	4.6%	0.1%	-7.1%	0.3%	1.2%	13.8%	1.6%	0.3%	0.6%	0.5%	1.2%	2.0%	19.4%
2024	1.3%	-1.6%	2.6%	0.1%	3.1%	-0.3%	0.8%	1.0%	1.3%	0.5%	0.7%	0.5%	10.4%
2025	1.3%	1.1%	0.3%	-1.0%	1.6%	0.9%	1.0%	0.5%	1.3%	-0.1%	0.5%	0.7%	8.4%
2026	2.0%	-0.7%	-2.0%	2.4%	1.4%								3.0%