

NET ASSET VALUE

245.10

SEPTEMBER

-0.4%

YEAR TO DATE

+4.6%

SINCE INCEPTION

145.1%

PERFORMANCE

The fund performed -0.4% in September, which corresponds to a performance of +4.6% year to date. European banking stocks (Stoxx600 Banks) decreased with -1.1% in September, while AT1 CoCo's were negative with -2.6% (iBoxx CoCo index). European banking stocks are positive with +18.9% year to date while AT1 CoCo's are negative with -3.2% for the same period.

CENTRAL BANKS

Central banks kept tightening in September to stop the energy shock from turning into lasting inflation. The war in the Middle East and the disruption of shipping through the Strait of Hormuz kept Brent crude above 100 dollars a barrel, and euro area inflation rose to 3.2% in August and, on a first estimate, 3.8% in September. The ECB raised its deposit rate from 2.25% to 2.50%, its second hike since June. It expects inflation to stay well above its 2% target for an extended period, and growth has been resilient enough for it to act. The Federal Reserve raised rates for the first time since 2023, from 3.50–3.75% to 3.75–4.00%, and Norges Bank from 4.25% to 4.50%. The Bank of England held at 3.75%, but three of its nine members voted for a hike. The market prices one more hike from both the ECB and the Fed by year-end.

WHAT HIGHER RATES MEAN FOR THE FUND

Higher rates cut both ways. The immediate cost is lower bond prices: long-term yields rose again, and US and German 10-year yields ended the month at 5.28% and 3.59%, the highest in more than 15 years. With a modified duration of 2.1, the fund's sensitivity to this is low, and its loss for the month was a fraction of the CoCo index's 2.6% fall. The benefits come over time. Higher rates lift banks' net interest income, which supports the earnings and capital behind the fund's bonds, and around a tenth of the fund is in Norwegian and Swedish floating-rate bonds whose coupons rise with short-term rates.

FINANCIAL SECTOR

AT1 spreads widened 24bp, and the weakness was more notable for French banks. French banks fell with French government bonds, as the budget deficit and the political situation pushed France's 10-year yield up 68bp to 4.86%, and several French AT1s lost between 2 and 6 points.

PORTFOLIO STATISTICS

YIELD TO CALL	YIELD TO PERP.	MOD. DURATION	CREDIT DURATION	CREDIT SPREAD
7.51%	7.68%	2.14	3.26	341 bp

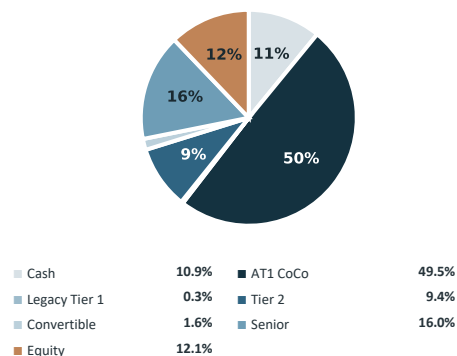
FUND DATA AND FACTS

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)	37.7
Number of holdings	54
Portfolio manager	Lux Nordic
Launch date	30.11.2010

TRAILING PERFORMANCE

1 year	5.7%
3 year	29.9%
5 year	31.3%

ASSET BY INSTRUMENT



RETURNS, NET OF FEES — EUR

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026	2.0%	-0.7%	-2.0%	2.4%	1.4%	0.8%	0.7%	0.4%	-0.4%				4.6%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
2010												-3.1%	

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