LUXNORDIC
Wealth Management S.A.

FINANCIAL OPPORTUNITIES FUND

Performance report · October 2026

NET ASSET VALUE	OCTOBER	YEAR TO DATE	SINCE INCEPTION
245.21	**+0.0%**	**+4.7%**	**145.2%**

PERFORMANCE

The fund performed +0.0% in October, which corresponds to a performance of +4.7% year to date. European banking stocks (Stoxx600 Banks) decreased with -10.6% in October, while AT1 CoCo's were negative with -0.3% (iBoxx CoCo index). European banking stocks are positive with +6.3% year to date while AT1 CoCo's are negative with -3.6% for the same period.

MARKETS

Attacks on Saudi oil facilities and the threat of new US strikes on Iran lifted Brent crude 13.6% to 118 dollars a barrel, its highest since April. Euro area inflation rose to 4.0%, but core inflation held at 2.5%, and both the ECB and the Federal Reserve left rates unchanged. US and German 10-year yields fell 36bp and 26bp to 4.93% and 3.32%, and the market expects about two more ECB hikes by April, not three. France was the exception, as the budget dispute pushed its 10-year yield to 4.97%, the highest in more than 20 years. Since month-end, the Bank of England and the Riksbank have both raised rates by 25bp.

FINANCIAL SECTOR

European bank shares fell 10.6%, their worst month since March, while the broad European market rose 1.9%. Investors sold banks on two fears: fewer rate hikes mean slower growth in net interest income, which has driven their rally this year, and a weaker economy would mean more loan losses. Third-quarter results gave no such warning: two thirds of the banks that reported beat expectations, and on average earnings came in 3.2% above them. The sector now trades at 10.1 times forward earnings, down from 11.3, a 33% discount to the broad market. AT1 spreads widened 41bp.

PORTFOLIO

The fund held its value through the sell-off, as we have low interest rate sensitivity with modified duration of 2.14. Intrum's bonds fell after its third-quarter report on 23 October, which wrote down SEK 1.5bn of goodwill in Germany and said debt markets were too expensive to refinance at present. We reduced the position during the month. Deutsche Pfandbriefbank's AT1 fell as well, ahead of its results on 12 November. We added an AT1 from Deutsche Bank. The portfolio's yield to call rose to 8.8%.

PORTFOLIO STATISTICS

YIELD TO CALL	YIELD TO PERP.	MOD. DURATION	CREDIT DURATION	CREDIT SPREAD
8.83%	**8.26%**	**2.14**	**3.26**	**467 bp**

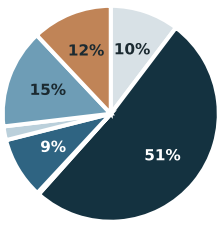
FUND DATA AND FACTS

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)	**38.2**
Number of holdings	**55**
Portfolio manager	**Lux Nordic**
Launch date	**30.11.2010**

TRAILING PERFORMANCE

1 year	**5.8%**
3 year	**30.3%**
5 year	**31.1%**

ASSET BY INSTRUMENT



Cash	10.3%	AT1 CoCo	51.3%
Legacy Tier 1	0.3%	Tier 2	9.2%
Convertible	2.1%	Senior	14.9%
Equity	12.0%		

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%	0.0%			**4.7%**
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%	**-3.1%**

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