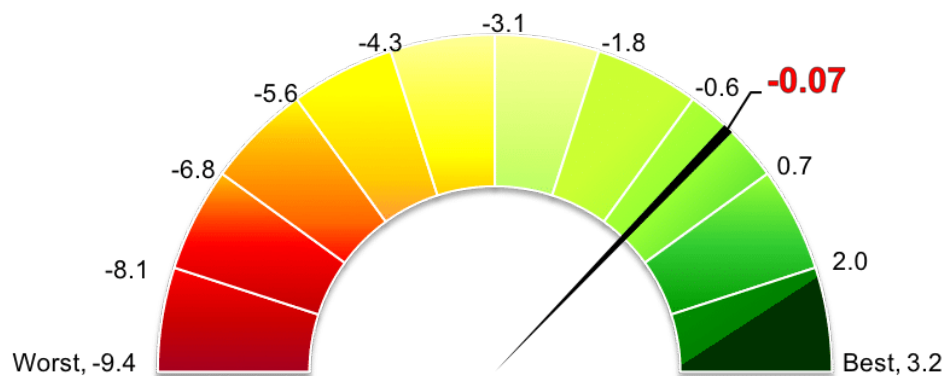


# Nordic FI Hedge Funds down in June

Stockholm (HedgeNordic) - Nordic fixed-income hedge funds, as expressed by the NHX Fixed Income Index, fell 0.1 percent in June (93 percent reported), booking mild losses for the second consecutive month. The NHX Fixed Income Index gained 0.3 percent in the first half of 2018.

**June Performance on Historical Speedometer (%)**



Speedometer: The June performance of the NHX Fixed Income Index relative to its best and worst monthly performance since 2005. Source: HedgeNordic.

Similar to their Nordic peers, international fixed-income hedge funds also suffered tight losses last month. The Eurokahedge Fixed Income Hedge Fund Index, comprised of 340 members, fell 0.1 percent in June (59 percent reported), ending the first half of the year with a gain of 0.3 percent. The HFN Fixed Income Index (non-arbitrage), which tracks the performance of fixed-income vehicles in the eVestment hedge fund database, was down 0.5 percent last month, finishing the first six months of the year in positive territory at 0.5 percent.

One in every three members of the NHX Fixed Income Index produced positive returns in June, with last year's best-performing fixed-income fund within the NHX, Nykredit MIRA Hedge Fund, posting the biggest gain in June. (*Nykredit fixed income team pictured*). The relative-value hedge fund investing in Danish mortgage bonds gained 1.5 percent last month, moving further into positive territory for the year at 2.0 percent.

Scandinavian Credit Fund I, an alternative investment fund offering direct loans to small- and medium-sized companies, delivered a positive monthly return for the 29th consecutive month after gaining 0.9 percent in June. The fund gained 3.8 percent in the first half of 2018. CABA Hedge, Danske Invest Fixed Income Macro Hedge, and HP Hedge all gained 0.6 percent last month.

Nykredit EVIRA, which seeks to exploit interest rate spreads between corporate bonds and interest rate hedging instruments, tumbled 4.1 percent in June after suffering a monthly loss of 5.2 percent in May. The Nykredit fund recovered some lost ground in the first half of July after having lost 11.1 percent in the first half of 2018. Nykredit EVIRA gained 5.0 percent this month through the beginning of this week. Danske Invest Fixed Income Relative Value and KLP Alfa Global Rente were down 0.8 percent and 0.6 percent in June, correspondingly.

\*June performance figures not reported.