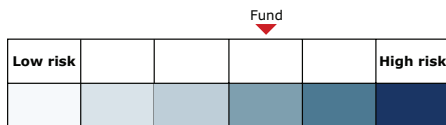


# Allocation Dynamic

## Riskmeter



The risk indicator is a simplified illustration of the risk for each sub-fund. You will find details of the risk factors in the prospectus.

## Basic information

NAV as of 31-01-2012 (EUR)	24.87
Morningstar Category	EUR Aggressive Allocation
ISIN	LU0130372641
Bloomberg Ticker	FNDAEOP
Dividends	No
Web site	www.danskebank.lu
Launch	25-07-2001
Total assets, mill. (EUR)	11.28
Base currency	EUR
Domicile	LUX
Initial charges up to	5.00 %
Fund company	Danske Invest Allocation SICAV
Management fee	1.00 %

## About the fund

The fund will be diversified across different assets, i.e. bonds (0-50%), equities (30-80%) and hedge funds (0-25%). The idea behind a mixed asset fund is to offer an "all-in-one" investment solution with an active asset allocation and constant monitoring of the portfolio. The asset allocation comprise not only the allocation between bonds and equities, but also the intra-bond and intra-equity allocation. For bonds that includes government and mortgage bonds, investment grade corporate bonds, high yield bonds and emerging market debt. For equities, it is primarily the allocation between different markets such as the US, Europe, Japan and Emerging Markets.

Taking into account the risk profile of the fund, the expected return for different asset classes and our market expectations, we buy the assets we believe in and that we expect will achieve the best return for the fund.

The fund will primarily invest in UCIs (other funds) including Exchange Traded Funds (ETFs). Part of the portfolio may be invested directly into bonds.

## Historical perf. as of 31-01-2012

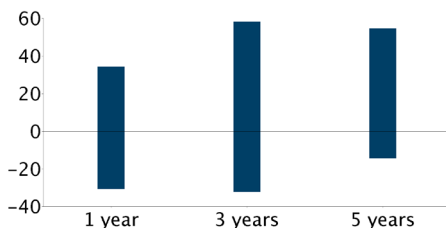


The chart shows the value of an investment of EUR 100 over the past 5 years or, if the fund is less than 5 years old, since its inception.

## Key figures - 3 years 31-01-2012

Sharpe ratio	0.96
Volatility	10.82
Average annual return (%)	11.94

## Return volatility



The fund's return will fluctuate as markets go up and down. The chart shows how the historical returns have fluctuated in the past 10 years or, if the fund is less than 10 years old, since its inception. The end points of the columns show the best and worst returns within this period.

## Top 10 holdings as of 31-01-2012

Issue	%
Danske Invest Europe Focus I (Lux)	10.18 %
Fidelity Active Strategy - Europe Fund-A Euro	9.31 %
SKAGEN Global (Norge)	6.17 %
JPMorgan FF - Europe Dynamic Lg-Sh A103 EUR	6.08 %
Danske Invest Europe High Dividend A	5.99 %
BlackRock - European Fund D2	5.33 %
JPMorgan Inv - US Select Equity Fund	5.32 %
Fidelity Funds - America Fund	5.06 %
NYKREDIT VAR. 21E 500CF6DA OA 2018	4.73 %
Danske Inst. Global StockPicking I	4.54 %
Other	37.30 %

## Trailing returns as of 31-01-2012

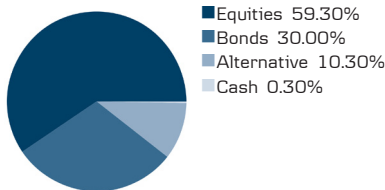
	Year to date	1 mth	3 mth	6 mth	12 mth	36 mth	60 mth	Start
Fund	3.69	3.69	4.49	1.09	-0.88	40.27	-1.57	24.36

# Allocation Dynamic

## Asset allocation limits

- 0-50% Bonds
- 30-80% Equities
- 0-20% Sector funds/Emerging markets
- 0-25% Alternative investments

## Asset allocation



## Fund report

### Annual report 2011

#### Return

Danske Invest Allocation Dynamic declined 4.51% in 2011.

#### Market

In the first half of 2011 the problems in the global supply chain and rising oil prices were decisive for the loss of global growth momentum. Japan was hit by a natural disaster that caused parts of the global supply chain to break down. This affected the US economy and especially the auto sector that depends on Japan for components. The combination of the two effects meant that the economy was more vulnerable and the markets more nervous when the European debt crisis escalated and discussions about the US debt ceiling took place. The culmination was a large market correction. The fourth quarter did not change this. The market was nervous, the debt crisis caused a lot of uncertainty, but the US economy did show signs of improvement. Growth momentum has declined significantly in Europe, while it remains stable in the US.

#### Performance

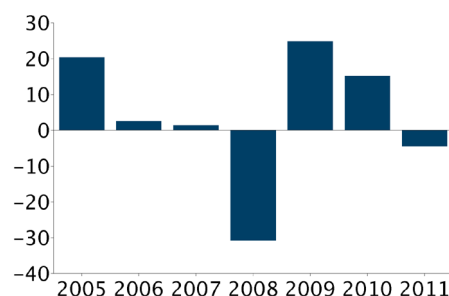
Positive contributors to return in 2011 include Danish mortgage bonds, Swedish bonds and hedge funds. The largest detractor to return is equities. Going into 2011 we expected equities to provide the highest return but as events unfolded during the year, we decided to reduce the allocation to equities in July and August to lower the overall risk level of the fund.

The bond allocation has to some degree been tilted towards shorter term bonds as we wanted to limit risk in case of rising yields (declining bond prices). This has reduced return as long term bonds in "safe" markets have performed the best. For reference, the BC Euro Aggregate Treasury 3-5 year index (bonds) was up 3.18% in 2011, MSCI Europe declined 8.08% and MSCI World All Countries was down 4.0%.

#### Market outlook and strategy

Expectations for 2012 are characterized by a high degree of uncertainty. We expect the global economic upturn to continue driven by low, but positive US growth and continued growth in developing countries led by China. The US financial system has emerged relatively unscathed from the European turbulence. This has been positive for the US economy. Europe is expected to see negative growth driven by credit tightening and a tight fiscal policy. Even though we expect the global economic upturn to continue, 2012 shows signs of being yet another year, where a string of political events can have significant influence on the development in financial markets. We enter 2012 with a moderate risk in the fund. It is a balance between the potential arising from the latest political initiatives and the risks that remains. Given the very low interest rates and moderate expectations to global equity markets in 2012, we expect a moderate return in the fund in 2012.

## Return



## Portfolio manager

**Name:**  
John Lovig Nielsen  
**Title:**  
Senior Portfolio Manager  
**Background:**  
CFA  
**Years of experience:**  
17  
**Company:**  
Danske Capital

## Return measures

	2007	2008	2009	2010	2011
Fund	1.43	-30.76	24.93	15.19	-4.51