

Objectives and investment policy

Objectives

The objective of the fund is to generate high absolute returns. The fund is accumulating.

Investment policy

The fund mainly invests in long and short positions in bonds and other debt instruments listed or traded on a recognized market and are issued by credit institutions and governments in OECD countries. The fund utilises to a large extent financial derivative instruments and leverage for risk taking or hedging purposes. The gross exposure is capped at 150 times the value of net assets. The investment strategy is active. This means that there may be significant differences in the return relative to the alternative investment fund's target. The fund adheres to the Responsible Investment Policy of Danske Bank and restricts certain sectors and companies from its investment universe. Fund shares can normally be redeemed on banking days. Recommendation: This alternative investment fund may not be appropriate for investors who plan to withdraw their money within 3 years.

Latest fund report

In August, Danske Invest Hedge Fixed Income Relative Value, USD Sub-Class provided a return of 0.06%. Year to date the return is 3.47%.

We have started the year with positive performance on most of our strategies, but especially the strategies in Danish kroner has contributed negative to performance.

The coronavirus 'COVID-19' spreading from China to the rest of the world was the main topic during the entire year of 2020 - and will likely be the topic again in 2021.

We have worked on simplifying our portfolio, but at the same time, we have seen many interesting trades during the COVID-19 crisis. On the other hand, the ongoing quantitative easing from a number of central banks is now reducing many of the same opportunities. At the same time, we have extremely low interest rates in general, combined with historically narrow spreads on mortgage bonds (and similar bonds), which means it has become more difficult to generate positive returns for a fund like this.

Earlier we have indicated we might end up short of our target return (which is the risk free rate + 4-6%). After a strong start, we now expect to come within our target return for the year.

On the positive side, it also appears that the regulation, which is affecting banks on a regular basis, continues to reduce the different banks' risk appetite. Going forward, we expect this scenario will provide us with attractive opportunities as investors.

At the end of August, the portfolio risk level (in terms of Value-at-Risk) is approx. 55% below our maximum risk limit, which is more or less unchanged compared to a month ago.

Historical returns are no reliable indicator of future returns. It should be noted that monthly returns (in per cent) are non-additive.

Awards



Manager



Name:

Michael Petry
Danske Bank Asset Management

Title:

Chief Portfolio Manager

Background:

HD (Finansiering)

Years of experience:

26

Basic information

ISIN code	GG00BP268062
Currency	USD
Total assets, mill. DKK, 04.10.2021	4,511.9
Net asset value (NAV), 04.10.2021	1,673.180
Minimum initial investment	USD 1,000
Management fee	0.90%
Sub-fund of	Danske Invest PCC Limited
Fund domicile	Guernsey
Management company	Danske Invest Management A/S

Charges

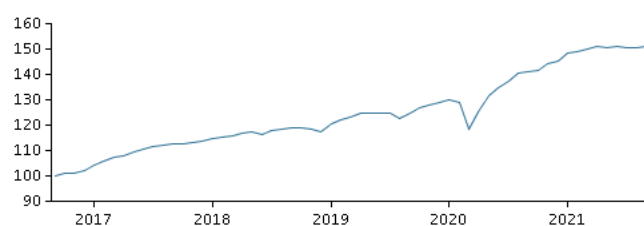
Ongoing charge	1.10%
Max. entry charge	5.00%
Max. exit charge	1.00%
Performance fee: 20% of the return above hurdle rate (Risk-free rate). In the fund's last financial year the performance fee was 1.13%.	

Risk indicator

The indicator illustrates the typical correlation between the risk and your potential return of the investment.

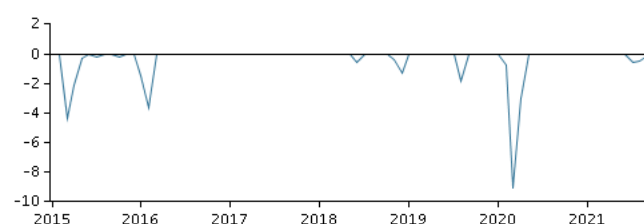
Lower risk							Higher risk						
Typically lower return								Typically higher return					
1	2	3	4	5	6	7							

Return in the period: 30.09.2016 - 30.09.2021



The default for the chart is the return for the past 5 years as of end of month or, if the fund is less than 5 years old, since launch. Past performance is not a reliable indicator of future results.

Drawdown



Monthly return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	1.96	0.40	0.74	0.53	-0.05	0.36	-0.57	0.07	0.41				3.89
2020	0.97	-0.71	-8.30	6.00	4.64	2.63	1.95	2.13	0.53	0.31	2.02	0.74	12.91
2019	2.54	1.53	0.64	1.25	0.13	0.08	0.02	-1.80	1.84	1.42	0.71	0.91	9.61
2018	0.76	0.64	0.13	1.03	0.31	-0.61	1.28	0.28	0.66	-0.05	-0.30	-0.90	3.24
2017	1.79	1.58	1.49	0.59	1.27	1.20	0.70	0.63	0.53	0.16	0.43	0.44	11.34
2016	-1.49	-2.19	3.73	2.05	1.39	0.11	0.69	1.55	0.89	1.35	0.05	1.04	9.43
2015	0.45	1.50	-4.37	2.26	1.82	0.54	-0.25	0.21	0.24	-0.25	0.73	0.44	3.21

This factsheet which is issued by Danske Bank is not an offer to purchase or sell shares in the funds. Subscriptions for shares in the funds will be accepted only on the basis of the most recent prospectus which can be obtained from www.danskehedge.com. Danske Invest PCC Limited is a Protected Cell Company, incorporated under the Companies (Guernsey) Law, 2008 ("the Law"). The Fund is a Cell in Danske Invest PCC Limited. Licencee is RBC Offshore Fund Managers Limited having its address at, PO Box 246, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 3QE.

Prices, rates and values are provided for information purposes only and are indicative unless otherwise stated. Such prices, rates and values do not necessarily represent the terms at which a new transaction can be executed or an existing transaction can be liquidated. Historical returns are no guarantee of future returns. This publication is not intended for any U.S. person within the meaning of the United States Securities Act of 1933, as amended nor any person in the UK.