

**Objectives and investment policy**

**Objectives**

The objective is to generate an absolute, positive return. The share class is accumulating.

**Investment policy**

The alternative investment fund mainly invests in bonds and other debt securities, either directly or in units or shares of any undertakings for collective investment in transferable securities ("UCITS") or alternative investment funds (AIFs). The alternative investment fund may use derivatives and utilise various methods to increase, reduce or hedge the exposure.

The gross exposure is capped at 15 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.

Note: Subscription is only possible for investors with a portfolio management agreement with Danske Bank/Danske Capital.

Fund units 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**

The return of the Danske Hedge Fixed Income Opportunities DKK Sub-Class W fund was -1.97% in September. As of the end of September, the return of the fund was 9.82% since the beginning of the year. The fund does not have a benchmark.

The fund is an important part of the multi-asset portfolio solution offered by Danske Bank. In terms of portfolio construction, the fund has two purposes: 1) To obtain the desired fixed income and currency risk in the multi asset portfolios, 2) to implement strategies within bond and currency markets based on macroeconomic and market research. Note that subscribing to the fund is only possible for investors who have a multi-asset portfolio management agreement with Danske Bank Asset Management.

The main contribution to the negative return in September was the long exposure to 30-year US government bonds, as the US 30-year yield rose about 15bp during the month. At the same time, a short position in 2-year US government bonds contributed positively to the overall return, mitigating the negative contribution from 30-year US government bonds. Another contribution to the negative return was a short position in US dollars, as the US dollar appreciated about 1% vs. the euro in September. Most of the short US dollar position in the fund was, however, a hedge against long US dollar exposures from other positions (outside the fund) in the total multi-asset portfolios.

The negative return of the fund in September should, as always, be seen on the context of the overall allocation in the balanced portfolios, cf. the purposes of the fund outlined above. In general, total portfolio diversification considerations play a large role in determining positions in the Danske Hedge Fixed Income Opportunities fund. It is thus relevant to note that world equities rose during the same period, and the multi-asset portfolios benefitted from that via the moderate overweight of equities.

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

**Manager**



**Name:**

Lars Dam & team  
Danske Bank Asset Management

**Title:**

Chief portfolio manager

**Background:**

M.Sc. (Mathematics & economics)

**Years of experience:**

24

**Basic information**

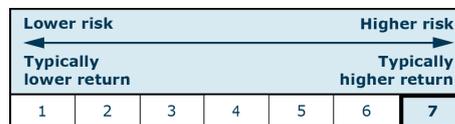
ISIN code	GG00BSTLDR70
Currency	DKK
Total assets, mill. DKK, 30.09.2019	2,390.9
Net asset value (NAV), 17.10.2019	1,301.86
Minimum initial investment	DKK 10,000
Management fee	0.40%
Sub-fund of	Danske Invest PCC Limited
Fund domicile	Guernsey
Management company	Danske Invest Management A/S

**Charges**

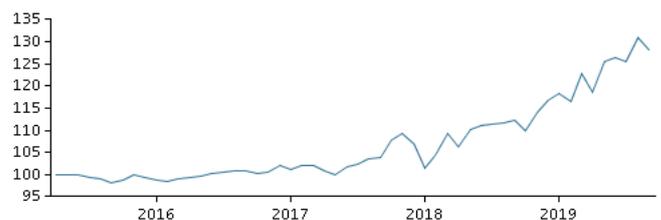
Ongoing charge	0.60%
Max. entry charge	5.00%
Max. exit charge	1.00%
Performance fee: 10% of the return above hurdle rate (Risk-free rate). In the fund's last financial year the performance fee was 0.70%.	

**Risk indicator**

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

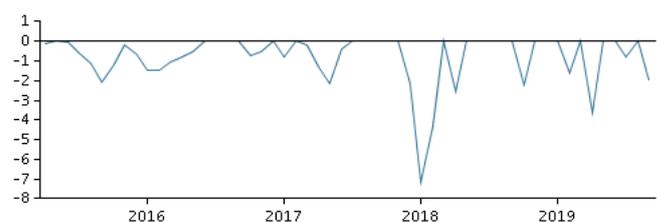


**Return in the period: 14.04.2015 - 30.09.2019**



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
<b>2019</b>	1.29	-1.62	5.61	-3.61	6.03	0.75	-0.77	4.17	-1.97				9.82
<b>2018</b>	-4.99	2.88	4.49	-2.58	3.51	0.81	0.30	0.22	0.76	-2.21	3.77	2.40	9.27
<b>2017</b>	-0.82	0.98	-0.18	-1.18	-0.78	1.76	0.48	1.22	0.33	3.92	1.24	-2.17	4.77
<b>2016</b>	-0.76	-0.02	0.41	0.29	0.27	0.85	0.24	0.15	0.16	-0.70	0.21	1.54	2.65
<b>2015</b>				-0.14	0.22	-0.07	-0.55	-0.51	-0.96	0.90	0.97	-0.48	-0.62

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](http://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, Canada Court, Upland Road, St Peter Port, Guernsey, Channel Islands 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.