

Objectives and investment policy

Objectives

The objective of the fund is to generate absolute return. The share class 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 is categorised as article 8 under SFDR and promotes environmental and/or social characteristics, as well as good governance practices, through screening, exclusions, investment analysis and decision-making as well as active ownership. The fund follows Danske Invest's responsible investment policy. 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 February, Danske Invest Hedge Fixed Income Relative Value provided a return of 2.03%. Year to date, the return is 4.66%.

February was a mixed month for risky assets with US equities declining while European equities was faring better ending up on the month. There is increasing evidence of a slowdown in economic activity in the US while leading indicators for Europe has been surprising to the upside recently. The labour market remains solid in both US and Europe.

2025 has the potential to be very interesting. Market focus remains centred on new announcements from Trump on tariffs and countermeasures from in particular EU, Mexico, Canada and China. Uncertainty regarding the rate path from both the ECB and the Fed remains high.

A significant development occurred on the last Friday of the month at the White House, where President Trump and President Zelensky held discussions about the situation in Ukraine. The meeting has been widely discussed, and it is fair to say that its outcome has left investors deeply concerned about the future of foreign and security policy.

Covered bonds, agencies and municipalities, curve trades, cross-currency swaps and country spreads were all investment areas that contributed very nicely with positive performance during the first 2 month of 2025. Some of our protection trades had a more difficult start of the year and gave a negative return.

Looking into the rest of 2025, there are still many attractive investment opportunities, and the expectation is for the fund not just to reach the target return (risk-free rate + 4%-6% per year), but we find it realistic that we will outperform the target return going forward.

Geopolitically, there remains significant uncertainty, with the conflict in Israel/Gaza and in particular the Ukraine/Russia war drawing substantial attention. Tensions with China also continue to be a focal point concerning the geopolitical situation.

On the positive side, it also appears that the regulation, which regularly affects banks, 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 February, the portfolio risk level (in terms of Value-at-Risk) is approximately 50% below our maximum risk limit, which is an increase since the beginning of the month.

Historical returns are not a reliable indicator of future returns. It should be noted that monthly returns (in percent) are non-additive.

Awards



Manager



Name:
Michael Petry
Danske Bank Asset Management
Title:
Chief Portfolio Manager
Background:
HD (Finansiering)
Years of experience:
30

Basic information

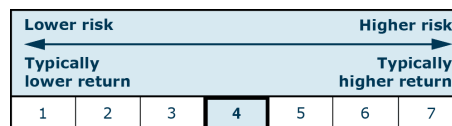
ISIN code	GG00BP268062
Currency	USD
Total assets, mill. DKK, 17.03.2025	3,846.8
Net asset value (NAV), 17.03.2025	2,328.46
Minimum initial investment	USD 1,000
Management fee	0.90%
Sub-fund of	Danske Invest PCC Limited
Fund domicile	Guernsey
Management company	Danske Invest Management A/S

Charges

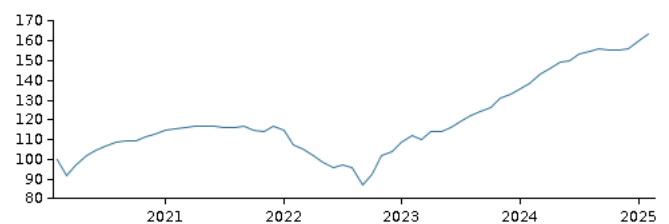
Ongoing charge	1.10%
Max. entry charge	5.00%
Max. exit charge	5.00%
Performance fee: 20% of the outperformance against the hurdle rate.	

Risk indicator

The summary risk indicator is a guide to the level of risk of this product compared to other products.

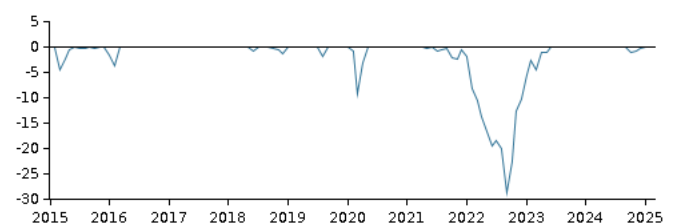


Return in the period: 28.02.2020 - 28.02.2025



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. Future returns may be negative. The return may increase and decrease as a result of currency fluctuations if the fund is issued in a currency other than the currency used in the country in which you are domiciled.

Drawdown



Monthly return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	2.58	2.03											4.66
2024	1.71	2.39	3.35	1.95	2.28	0.34	2.08	0.80	1.27	-0.79	0.13	0.45	17.10
2023	4.58	2.86	-1.70	3.41	-0.08	1.99	3.11	2.04	1.85	1.33	3.89	1.67	27.82
2022	-1.37	-6.44	-2.35	-3.09	-2.96	-2.80	1.09	-1.69	-8.76	6.24	9.95	2.40	-10.66
2021	1.96	0.40	0.74	0.53	-0.05	0.36	-0.57	0.07	0.41	-1.97	-0.22	1.99	3.65
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

