

# Handelsbanken Tillväxtmarknad Obligation (A1 EUR)

The fund is actively managed and invests in interest-bearing securities issued or guaranteed by states in emerging markets, municipalities, governmental or municipal authorities in such markets or by intergovernmental agencies in which one or several such states are members. Emerging markets refer primarily to Latin America, Asia, Africa and Eastern Europe, including the Balkans and Baltics. Investments are mainly made in local currency, which results in a currency risk as well as a higher potential for returns. Fund assets shall be invested in interest-bearing financial instruments with a rating from S&P or Moody's. The minimum rating permitted is B- from S&P or B3 from Moody's, with the restriction that the combined holdings in the fund may not have an average rating below BB- from S&P or Ba3 from Moody's. The investment focus of the fund does not permit investments in corporate credits, which means that by definition controversial sectors are excluded. The fund is reported as an Article 6 fund pursuant to EU regulation 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR).

## Performance

03.06.2024

YTD	1 week	1 mth.	3 mån	1 year	5 years	10 years
-0.74%	-0.83%	-0.37%	-0.37%	4.09%	1.04%	2.00%

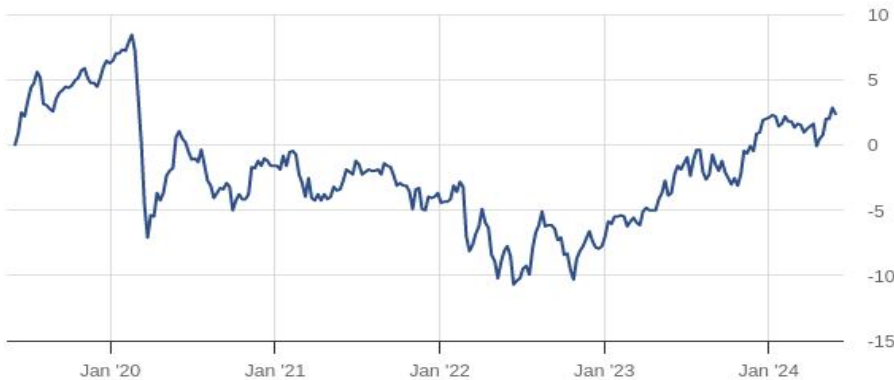
## Average performance

Average perf.	2 years	3 years	5 years	10 years
Fund <sup>1</sup>	4.98%	1.70%	0.22%	0.49%
Index <sup>2</sup>	5.19%	-0.73%	-0.31%	1.21%

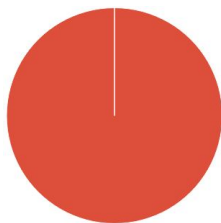
<sup>1</sup> Calculated on the fund's monthly closing price

<sup>2</sup> Benchmark index: JP Morgan EM GBI Diversified Index. The information in the table refers to the benchmark index valid at any given time. In the event the fund has previously had other benchmark indexes, this information can be found in the fund's annual report.

## Five years performance



## Portfolio



Bonds and Cash 100.00%  
As of: 30.04.2024



As of: 30.04.2024

Fund performance was positive during the quarter and the fund rose 3.14% in SEK. During the period, the market began to price out the aggressive expectations for interest rate cuts for many central banks in developed markets, and the US 10-year rate rose approximately 30 bp. The core inflation in many countries, including both emerging and developed markets, is moving slower than expected towards the inflation targets and economic data, particularly in the

## Fund manager



### Alexander Gullnäs

Experience in the fund industry 2012.  
Portfolio Manager since  
7 December 2018.

Main category	Bond Fund
Risk	3
Rate	10.69 (03.06.2024)
Reporting Currency	EUR
Price/Trade	Daily
Total Rating™	★★★
Minimum investment	0 EUR
Monthly savings	-
Traded on the Internet	No
Management Fee	1.1%
Entry charge	0%
Exit charge	0%
Fund assets	376 MSEK
Distribution per fund unit	-
Distribution date	-
Fund, date of launch	07.12.2018
Share class, date of launch	07.12.2018

## Largest holdings

Peru (Republic of) 6.95%	7.28%
International Bank for Reconstruction & Development 6.5%	4.10%
Poland (Republic of) 6%	3.68%
Mexico (United Mexican States) 5.75%	3.66%
Malaysia (Government Of) 4.762%	3.58%
Secretaria Tesouro Nacional 0%	3.47%
Poland (Republic of) 7.5%	3.46%
Secretaria Tesouro Nacional 10%	3.46%
Hungary (Republic Of) 4.5%	3.42%
Romania (Republic Of) 4.85%	3.36%

US, remains strong. Interest yields in emerging markets were therefore marginal during the quarter, driven by the high coupon rates, although rising interest rates in total had a negative impact on interest yields. The majority of the returns were therefore a result of stronger emerging market currencies against the SEK.

The overweight in exposure to Mexico and India were the strongest active and relative contributors, with primarily strong exchange rates. Interest rate movements in India and high yield rates in Mexico also contributed positively.

The exposure in supranational bonds issued in Turkish lira had the most negative impact due to unexpected inflation on the upside. The Turkish central bank hiked rates further and the key rate is currently 50 percent. However, the fund has an underweight exposure in relative terms to Turkey and will be retaining the positioning as the economic policy is tight and counteracts the high inflation. Valuations are attractive with low foreign ownership and very high yield rates.

The fund has a somewhat short duration, driven by a significant underweight in China but an overweight in Latin America (Mexico and Brazil).

As of: 26.04.2024

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Historical yields are not a guarantee of future returns. A fund can both increase and decrease in value and it is not guaranteed that you will recover the entire invested amount. Note that a fund with risk level 5-7, as stated in the fund's fact sheet (KID), can vary greatly in value due to the fund's composition and management methodology. The prospectus, fund rules and KID are available under each fund. [Summary of investors' rights](#).

The fund's fact sheet, risk level, fund rules and prospectus are available at [www.handelsbanken.se/funds](http://www.handelsbanken.se/funds). Handelsbanken does not assume liability for any errors in the information.

[www.handelsbanken.se/funds](http://www.handelsbanken.se/funds)

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