



Fund Flash

Nordea 1 - Alpha 15 MA Fund

ISIN: LU0607983896 (BP-EUR) / LU0607983383 (BI-EUR)

Nordea 1 - Alpha 10 MA Fund

ISIN: LU0445386369 (BP-EUR) / LU0445386955 (BI-EUR)

Nordea 1 - Alpha 7 MA Fund

ISIN: LU1807426207 (BP-EUR) / LU1807426629 (BI-EUR)

Alpha 15 MA: Expected Volatility: 10 to 15% - Target Return: Cash +7 to 10% gross of fees p.a. over a full investment cycle¹.

Alpha 10 MA: Expected Volatility: 7 to 10% - Target Return: Cash +5 to 7% gross of fees p.a. over a full investment cycle¹.

Alpha 7 MA: Expected Volatility: 5 to 7% - Target Return: Cash +4 to 5% gross of fees p.a. over a full investment cycle¹.

Portfolio Comment as of 31/08/2020

In August, risky assets continued their rally by posting positive returns for the fifth positive month in a row, despite significant discrepancies. These dissimilarities were particularly important in the equity field as the historic overall performance was essentially driven by US equities, which dwarfed both other Developed Markets and Emerging Markets (EM), thanks to US indices delivering their best August outcome in more than three decades. More interestingly, this sturdy performance mostly stemmed from the tech rally as investors continued to favour clicks versus bricks, leading to further PE extension and all-time high relative performance of growth stocks. This euphoria was partly fuelled by global economic activity, which continued to recover, thanks to continued policies' support. Within the fixed income space, yield curves steepened on both sides of the Atlantic, with long-term yields increasing the most. Finally, credit spreads tightened again, especially within HY and EM.

In this context, the Alpha 15 MA, Alpha 10 MA and Alpha 7 MA funds delivered positive returns of +1.15%, +0.62% and +0.39% respectively over the month, and they now accumulate respective performance of +9.21%, +5.7% and +3.19% YTD (BP-EUR).

This positive performance was especially buoyed-up by the fund's risk-on and directional components.

- This was well illustrated by the strong performance of our Equity & Credit based strategy, which led to the positive return of the Strategic Risk Balancing SuperStrategy. Indeed, it benefitted from equity markets' performance this month. Moreover, our Cross Asset and Momentum SuperStrategy also managed to deliver positive return, as it benefitted from markets trends.

- On the other hand, some of our defensive strategies slightly detracted from performance, as it could be expected in such a bull market. Among them, our Low Risk Anomaly substrategy was impacted as investors were focused on expensive tech sector.

Regarding the portfolio positioning:

- The strategy continues to be composed by 6 underlying SuperStrategies. Four of which are comprised by both risk-on and risk-off premia (Equity, Currencies, Fixed income, and Strategic Risk Balancing) and two of which are built using mostly directional premia (Trading and Cross Asset & Momentum).

- As of the end of August, the Alpha 15 MA, Alpha 10 MA and Alpha 7 MA strategies had positive net equity exposures of 64.26%, 44.70% and 31.76% as well as modified duration of their portfolio of 1.43, 0.99 and 0.72 years (mainly coming from the US) respectively.

Portfolio Positioning	31/07/2020	31/08/2020
A15 MA Fund		
Duration	1.09 years	1.43 years
Net Equity Exposure	76.4%	64.3%
A10 MA Fund		
Duration	0.79 years	0.99 years **
Net Equity Exposure	51.0%	44.7% **
A7 MA Fund		
Duration	0.65 years	0.72 years **
Net Equity Exposure	35.6%	31.8% **

Cumulative Performance ²	1M	YTD	3 years
A15 MA Fund³	1.15%	9.21%	17.04%
A10 MA Fund³	0.62%	5.70%	9.07%
A7 MA Fund³	0.39%	3.19%	N/A

1) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. During adverse market environments the volatility could reach on average 15%, 10% and 7% respectively.

2) The performance represented is historical; past performance is not a reliable indicator of future results and investors may not recover the full amount invested. The value of shares can greatly fluctuate as a result of the sub-fund's investment policy and cannot be ensured, you could lose some or all of your invested money. 3) BP-EUR Share class. ** Preliminary data

Source (unless otherwise stated): Nordea Investment Funds S.A. Period under consideration (unless otherwise stated): 31/07/2020 to 31/08/2020. Performance calculated NAV to NAV (net of fees and Luxembourg taxes) in the currency of the respective share class, gross income and dividends reinvested, excluding initial and exit charges as per 31/08/2020.

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