



Fund Flash

Nordea 1 - US Total Return Bond Fund

ISIN: LU0826414673 (BP-USD) / LU0826413865 (BI-USD)

The fund seeks to identify investment opportunities within and across subsectors of the mortgage market.¹

Portfolio comment as of 30/04/2021

In April US treasury yields inverted the upward trajectory which characterised the last few months, with the 10Y tenor tightening approximately 15bps by mid month and eventually coming back slightly to close the period 8bps tighter. This brought a broad based support for most fixed income sectors, including of course treasuries and US investment grade corporate debt. At the same time, the slope of US treasury yield curve also flattened marginally, confirming an at least temporary pause from the prevailing trend in place year to date.

As far as credit is concerned, spreads were somewhat flat, not without some volatility and eventually ended up marginally tighter at end of April. Broadly speaking, duration has been the main mover this month.

In this context, the fund delivered a monthly return equal to 0.57%, bringing YTD performance to -0.53% (BP-USD).

Agency MBS benefitted the most from yield tightening, even if not to the extent seen in US treasury notes. Structured products did not shine either in relative terms as the duration component is more dominant in the US investment grade corporate debt segment as opposed to securitized credits in general.

Portfolio Positioning	31/03/2021	30/04/2021
Duration ²	4.75 years	4.36 years
Yield to Maturity ³	2.60%	2.46%

Cumulative Performance	1M	YTD	3 Years
Fund (BP-USD)	0.57%	-0.53%	8.97%
Benchmark	0.00%	0.03%	4.41%
Alpha	0.56%	-0.56%	4.56%

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. With effect from December 2020, the official reference index of the fund is the ICE BofA Merrill Lynch 0-3M U.S. T-Bill Index. Prior to this date, the fund did not have an official reference index. **1) There can be no warranty that an investment objective, targeted returns and results of an investment structure is achieved. The value of your investment can go up and down, and you could lose some or all of your invested money.** 2) Assumption based Effective Duration. Source: DoubleLine, preliminary numbers. Based on proprietary information. 3) Assumption based Yield to Maturity. Source: DoubleLine preliminary yield estimates. Based on proprietary information. There is no guarantee that the present estimate will be met.

* investing in their own account - according to MIFID definition

Source (unless otherwise stated): Nordea Investment Funds S.A. Period under consideration (unless otherwise stated): 31/03/2021 to 30/04/2021. 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 30/04/2021.

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