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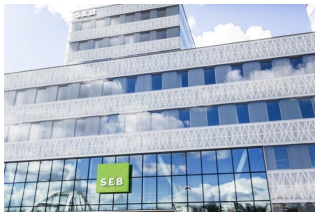
SEB Corporate Bond Fund EUR

Monthly report as of March 31, 2024



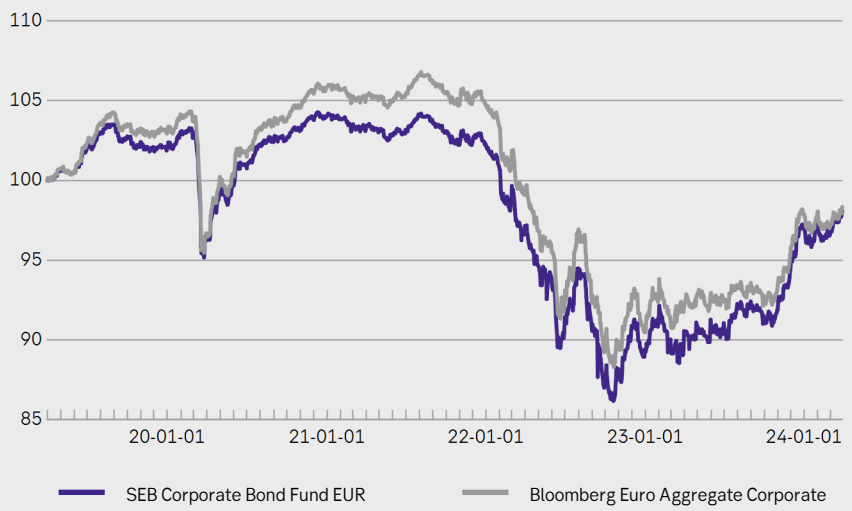
Past performance is not indicative of future results. The value of investments and income derived from investments may rise as well as fall. Future returns are not guaranteed, and a loss of principal may occur. Key Information Documents and prospectuses are available at www.sebgroup.lu

The US economy continued to perform stronger than expected. Inflation is on its way down, but at a slightly slower pace than forecast. Despite upward revised US growth, the Fed signalled three 25 basis point interest rate cuts during the year. This is in line with market expectations. The same number of interest rate cuts are priced in by the market from the ECB. The fact that the US Federal Reserve is sticking to its interest rate cuts contributed to the fall in Treasury yields in March. There was a high level of activity in the credit market, especially in the high yield market, as many companies began to refinance the bond maturities that will come next year. Despite the supply, the strong momentum in the credit market continued.

The fund has a substantial overweight in banks, particularly in subordinated debt. Consequently, the spread over government bonds is significantly higher than that of the index, at roughly 160 basis points. The fund's duration is slightly shorter than the duration of its index. The largest positions in the fund, each accounting for around 2 per cent, are Volkswagen, BNP, Santander, KBC, HSBC, Danske Bank and Allianz. The running yield for the fund is higher than that of its index, at 4.3 per cent. The fund's performance was clearly higher than the performance of its index.

Our main scenario is that interest rate cuts are on the way and that this will provide support to the credit market. The fact that the US Federal Reserve continues to signal interest rate cuts is therefore positive, but the strong US economy has still increased uncertainty. Overall, the credit quality of companies is good, but the most heavily indebted companies are dependent on interest rates falling. The weak growth in important countries, such as Germany and China, is another negative factor. However, as long as the interest rate cut forecast remains unchanged, we find it difficult to see what would turn the credit market in a negative direction.

Return % (net of fee)



Source: SEB and Rimes. Inflation is not taken into account when calculating the fund's return.

%	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	YTD Index
2024	0.23	-0.61	1.45	-	-	-	-	-	-	-	-	-	1.07	0.47
2023	2.22	-1.48	0.59	0.59	0.20	-0.24	1.32	0.17	-0.95	0.40	2.72	2.81	8.57	8.19
2022	-1.41	-2.16	-1.54	-2.52	-0.92	-2.90	3.69	-3.80	-3.53	0.56	2.81	-1.38	-12.60	-13.65
2021	-0.17	-0.72	0.10	-0.10	-0.16	0.25	0.93	-0.42	-0.60	-0.81	0.10	-0.06	-1.67	-0.97
2020	1.08	-0.37	-6.17	3.35	0.13	1.22	1.27	0.22	0.15	0.52	0.83	0.06	2.01	2.77
2019	0.79	0.56	1.22	0.59	-0.10	1.33	1.12	0.50	-0.83	-0.21	-0.30	-0.13	4.61	6.24

Key facts

Fund Manager	Mikael Anttila, Marianne Gut, Mattias Ekström
Year of launch	2001
NAV at launch (EUR)	1.0
Fund Management Company	SEB Investment Management AB
Risk Level (SRI-scale 1-7)	2
ISIN-code	LU0133008952
Base Currency	EUR
Share Class	EUR[1]
NAV	1.68
Legal Structure	UCITS
Morningstar rating, (2024-02-29)	***
Turnover Ratio	0.18[2]
Use of derivatives	YES[3]
Management Fee (%)	0.70
Ongoing costs (%)	0.81[4]

[1] When applicable, dividends are paid in cash the subsequent fiscal year.
[2] 12 months rolling, last updated 2024-03-28.
[3] Derivatives may be used to achieve the investment objectives or for hedging.
[4] Makes up the sum of management fees and other administration or operating costs as well as transaction costs. More information about the fund's fees and costs can be found in the fund's Key Information Document and prospectus.

Return % EUR

Accumulated since	Fund	Benchmark*
1 month	1.5	1.2
3 months	1.1	0.5
Year to date	1.1	0.5
1 year	8.3	6.8
3 years	-4.9	-6.4
5 years	-1.9	-1.7
Average annual return		
3 years	-1.7	-2.2
5 years	-0.4	-0.3

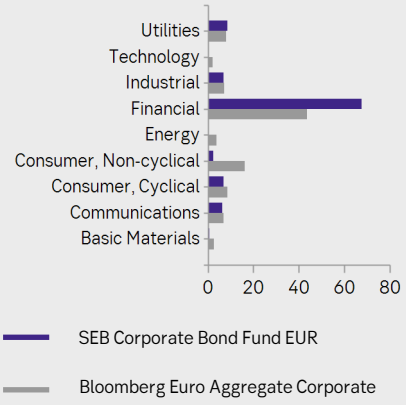
* Benchmark including dividend

RISK MEASURES

	SEB Corporate Bond Fund EUR
Duration	4.08
Yield (%)	4.23
Spread (bp)	167
Average credit rating	BBB+
Standard Deviation	5.8 % [1]
Sharpe ratio	-0.45 [1]
Issuers	86

[1] *36 months rolling*

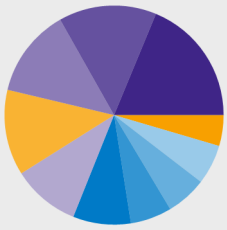
Sector allocation %



Credit rating weight (%)

	Fund	Index
AAA	2	1
AA	5	12
A	45	47
BBB	42	40
BB	6	1
B	0	0
CCC or lower	0	0
Not rated	0	0

Geographic allocation



Sweden	(17%)
Finland	(13%)
France	(12%)
UK	(9%)
Spain	(8%)
Netherlands	(6%)
Denmark	(5%)
USA	(5%)
Germany	(4%)
Other	(11%)

10 Largest positions

	% of total
EURO-BUND FUTURE Jun24	-7.3
Cooperatieve Rabobank UA 3.250% 701229	1.7
Hannover Rueck SE 5.875% 430826	1.7
Sampo 2.500% 520903	1.6
Credit Mutuel Arkea SA 4.125% 310402	1.5
Svenska Handelsbanken 5.000% 340816	1.5
Electricite de France 4.250% 320125	1.5
EQT AB 0.875% 310514	1.5
KBC Group 4.750% 350417	1.5
Deutsche Bank 3.750% 300115	1.5

Source:
SEB Investment Management AB

The fund's investment policy

This actively managed fund focuses on the European corporate bond market. The main categories of financial instruments are corporate bonds, government bonds and other debt instruments as well as money market instruments issued by companies, governments or mortgage institutions with a minimum credit rating of BBB- on Standard & Poor's (S&P) scale or the equivalent. The fund may invest up to ten percent of its total assets in instruments from issuers with lower credit ratings, from BB+ to CCC- on S&P's scale or the equivalent (non-investment grade or high yield instruments). The fund manager performs a credit risk assessment prior to investing. The duration of the portfolio may vary from 3 to 7 years, depending on the level of current interest rates. The fund promotes sustainability-related properties via integrated sustainability analysis as part of the investment decisions, and the exclusion of companies, business models and products that are deemed to affect the climate, society, or stakeholders negatively. The fund's active ownership process aims to drive and influence the development of the companies in which we invest. For detailed information, see the fund's Sustainability Information document on the Prices & Facts section of our website.

Please note: The data and investment comment that are shown in this document – Institutional Monthly Report – represents this specific share class. Consequently, the data and investment comment, may differ depending on which share class you are invested in Please see the fact sheet, or other relevant source, for more information.

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Important Information

The report contains a preliminary estimate of data for fund valuation and does not constitute the final values. For the final fund value, please refer to the fund's annual and semiannual reports on www.sebgroup.lu This material is prepared by SEB and contains general information regarding financial instruments marketed, sold or solicited by SEB. SEB means Skandinaviska Enskilda Banken AB (publ) including its subsidiaries as well as its affiliated companies. Neither this material nor the products described in it are intended for distribution or sale in the United States or to US persons, and any such distribution is not allowed. The offering of shares or units in the funds may also be restricted in other jurisdictions. This document may not be used to make an offer or solicitation with respect to the sale of shares or units where such an offer or solicitation is unlawful. Although the information in this material is based on sources deemed by SEB to be reliable, SEB assumes no liability whatsoever for incorrect or missing information or for any loss, damage or claim arising from the use of this material. Past performance does not guarantee future performance. The value of investment funds and other financial instruments may rise as well as fall and there is no guarantee you will recover your original investment. If you or a fund invests in financial instruments denominated in a foreign currency, changes in currency exchange rates can affect the return on the investment. SEB makes no representation that funds whose share or unit classes aim at hedging the fund's return from changes in currency exchange rates will succeed in achieving this. Any tax information in this material is based on regulations valid as per the date of this presentation and may be subject to change. Note that any tax information in this material is general. It should also be noted that information on tax (if any) has not been tailored on any individual circumstances of any individual potential investor and in order for an individual potential investor to understand the tax treatment of an investment the potential investor should obtain tax advice. You are fully and solely responsible for your investment decision. This material is not intended for or suitable as the sole basis for investment decisions. Instead, you should base your decision on the information in the fund's product documentation, including its fact sheet, Key Information Document, fund regulations and prospectus. These are available on www.sebgroup.lu

For investors in Germany (December 2021)

In accordance with Section 310 (1) and (2) of the Investment Code (Kapitalanlagegesetzbuch KAGB), the Management Company has notified the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin: the German Federal Financial Supervisory Authority), Frankfurt am Main, of the distribution of Fund units in Germany.

Distributor in Germany
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Skandinaviska Enskilda Banken AB (publ) Frankfurt Branch does not offer investment advice.

Information Agent in Germany
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Stephanstrasse 14-16, D-60313 Frankfurt am Main
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Publications
The prospectus, the Key Information Documents, the constitutive documents as well as the annual and semi-annual reports can be obtained free of charge from the Information Agent and are available to investors on the website www.sebgroup.lu. The issue and redemption prices of Fund are available upon request at the office of the Management Company and published on the website www.sebgroup.lu.

In addition, the investors in Germany will be provided by means of a durable medium in accordance with § 167 KAGB in German or in a language that is customary in the sphere of international finance (§ 298 clause 2 KAGB):

a) suspension of the redemption of the units of an EU UCITS;
b) termination of an EU UCITS' management or the winding-up of an EU UCITS;
c) amendments to the fund rules which are inconsistent with existing investment principles, affect material investor rights, or relate to remuneration or the reimbursement of expenses that may be amendments and the rights of investors, the information must be communicated in an easily understandable form and manner and must indicate where and how further information may be obtained;
d) the merger of EU UCITS in the form of information on the proposed merger which must be drawn up in accordance with Article43 of Directive 2009/65/EC;
e) the conversion of an EU UCITS into a feeder fund or any change to a master fund in the form of information which must be drawn up ir accordance with Article 64 of Directive 2009/65/EC.

All payments to unitholders (sales proceeds, distributions, if applicable, and all other payments) may be received in Germany through the Transfer Agent of the fund via the German correspondent bank.

Furthermore, investors in Germany may address their redemption or conversion request directly to their German correspondent bank.

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