

Monthly comment August 2015

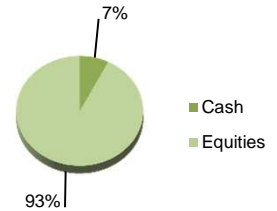
Stock markets fell sharply in August while the volatility index rose. The steep falls was triggered by a write-down of the renminbi and by fears of a global economic slowdown.

The devaluation of the renminbi was interpreted as the situation in China is worse than analysts previously thought and a Chinese hard landing is once again discussed. China is difficult to analyze but even so we think that the reaction is excessive. The world has not changed in recent weeks, companies show continued good earnings and the slower growth in China is expected. China's debt is low, around 40%, and the country has big foreign exchange reserves. We therefore believe that the Chinese authorities can do more to stimulate the economy but instead try to find long-term, sustainable growth.

As we see it, the decision to depreciate the renminbi is a way to make the currency more market driven and prepare the renminbi to become a reserve currency. It is also worth noting that the IMF welcomed the decision. Also, the upcoming rate hike in the US, although now likely to be postponed, is probably also a reason why the write-downs were made now. It is also important to remember that the renminbi has strengthened by around 25% against the US dollar and by around 40% against the SEK during the past 10 years.

In summary, we see the recent market movements as a correction rather than the start of a long-term downward trend.

Asset breakdown

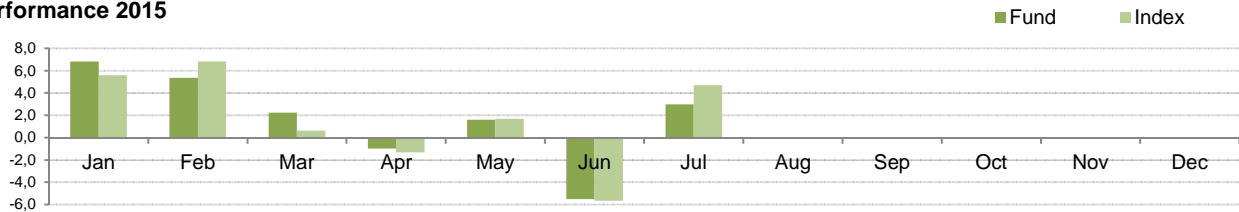


Monthly performance (%)

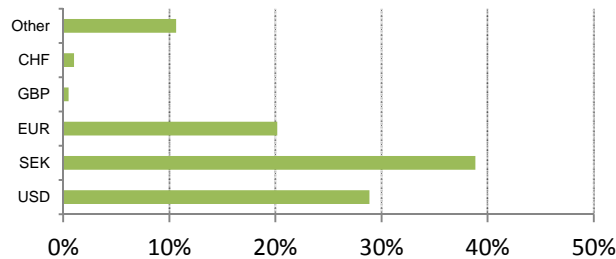
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	
Fund	2015	6,8	5,4	2,2	-1,0	1,6	-5,5	3,0	0,0	0,0	0,0	0,0	0,0	12,7
Index	2015	5,6	6,8	0,6	-1,3	1,7	-5,7	4,7	0,0	0,0	0,0	0,0	0,0	12,5

The comparison index consists of: 70% MSCI World Free Index and 30% MSCI Sweden Index

Performance 2015



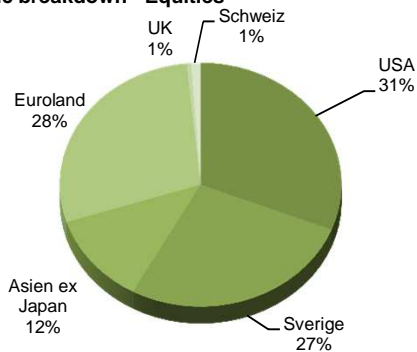
Currency exposure



Five biggest holdings

Lyxor IBEX Spain	3,4%
Ishares Russel 2000	3,1%
Fidelity Funds Italy	2,9%
Powershares Nasdaq	2,8%
Ishares S&P 500	2,7%

Geographic breakdown - Equities



Sectors - Equities

