

# Evli Euro Liquidity B

Short-term fixed income fund that invests in Nordic euro-denominated fixed income instruments.

## MANAGER'S COMMENT



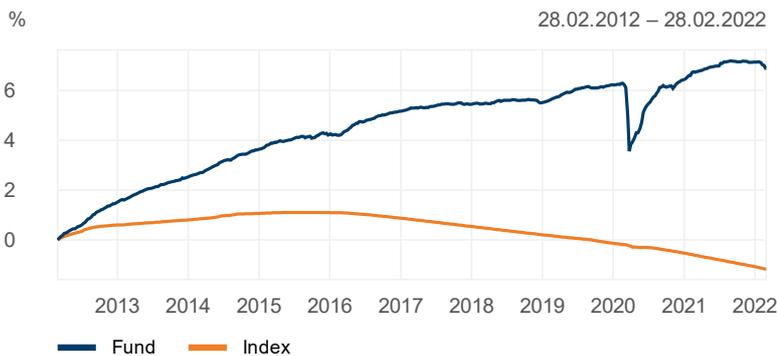
Now would be a time to change the ECB approach, lift rates, but simultaneously keep the purchasing program alive, just the opposite they have indicated, to tackle inflation early enough, but also alleviate market concerns.

February brought unwanted volatility in rates and spreads, which somewhat moves the fund value, but opens up a long-awaited window to build a portfolio for the rest of the year and next year. Risks in the fund are still quit moderate. The expected return for this year has not changed.

## BASIC INFORMATION

|                                      |                              |
|--------------------------------------|------------------------------|
| Fund Manager                         | Juhana Heikkilä              |
| Benchmark                            | 3-month Euribor Return Index |
| ISIN                                 | FI0008804463                 |
| Fund Starting Date                   | 31.1.1996                    |
| Morningstar Fund Category™           | EUR Money Market, Dynamic    |
| Morningstar Rating™                  | ★★★★★                        |
| SFDR classification                  | Article 8                    |
| Responsibility score                 | AA                           |
| Carbon footprint (t CO2e/\$M Sales): | 230                          |
| Subscription Fee, %                  | -                            |
| Redemption Fee, %                    | -                            |
| Management and Custody Fee p.a., %   | 0.30                         |
| Performance Fee, %                   | -                            |
| UCITS IV                             | Yes                          |

## PERFORMANCE 10 YEARS



Past performance is no guarantee of future returns.

## RISK AND REWARD PROFILE

Lower risk Typically lower rewards Higher risk Typically higher rewards



Read more about the fund risks and calculating the risk category from the KIID-document

## RECOMMENDED INVESTMENT HORIZON

6 months or more

## PERFORMANCE (%)

|                             | Fund  | Benchmark | Difference |
|-----------------------------|-------|-----------|------------|
| Year-to-Date                | -0.24 | -0.10     | -0.14      |
| 1 Month                     | -0.22 | -0.05     | -0.17      |
| 3 Months                    | -0.22 | -0.15     | -0.07      |
| 6 Months                    | -0.28 | -0.28     | 0.00       |
| 1 Year                      | 0.15  | -0.56     | 0.70       |
| 3 Years, annual return      | 0.38  | -0.44     | 0.82       |
| 5 Years, annual return      | 0.30  | -0.40     | 0.70       |
| Since Launch                | 77.89 | 60.11     | 17.78      |
| Since Launch, annual return | 2.23  | 1.82      | 0.41       |
| 2021                        | 0.67  | -0.55     | 1.22       |
| 2020                        | 0.19  | -0.39     | 0.58       |
| 2019                        | 0.68  | -0.34     | 1.02       |
| 2018                        | 0.06  | -0.33     | 0.40       |

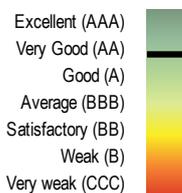
## KEY FIGURES (12 MONTHS)

|                        | Fund     | Benchmark |
|------------------------|----------|-----------|
| NAV per B unit, EUR    | 25.420   | -         |
| Fund Size, EUR million | 2 386.38 | -         |
| Volatility, %          | 0.19     | 0.02      |
| Sharpe Ratio           | 3.75     | 0.40      |
| Tracking error, %      | 0.19     | -         |
| Information ratio      | 3.75     | -         |
| R2                     | 0.00     | -         |
| Beta                   | -0.37    | 1.00      |
| Alpha, %               | 0.70     | -         |
| TER, %                 | 0.30     | -         |
| Portfolio Turnover     | 0.33     | -         |
| Modified Duration      | 0.24     | 0.24      |
| Yield (YTM), %         | 0.45     | -0.53     |

## RESPONSIBILITY SCORES

The Fund's responsibility scores are an assessment of the Fund's holdings from a responsibility perspective. The Fund's rating scale from best to worst is AAA, AA, A, BBB, BB, B and CCC. The ESG ratings distribution of the Fund's holdings are based on MSCI's analysis. MSCI is an independent ESG research provider offering a comprehensive global database.

|                              |     |
|------------------------------|-----|
| Responsibility score         | AA  |
| Environment                  | BBB |
| Social                       | BBB |
| Governance                   | A   |
| Coverage of the analysis (%) | 39  |



**ESG** means factors related to Environmental, Social and Governance issues.

**ESG rating:** companies are analysed and measured by how well they manage key risks and opportunities arising from ESG factors. The assessment is done within the industry.

**Fund's Responsibility score:** based on MSCI's methodology and taking into account the market value-weighted average of the fund's individual companies' ESG ratings, the ratings' trend, and the weight of companies with B and CCC ratings.

## CARBON FOOTPRINT

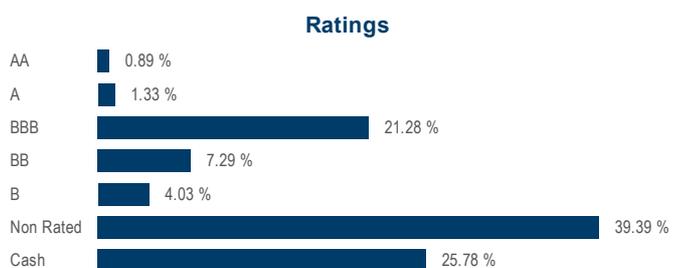
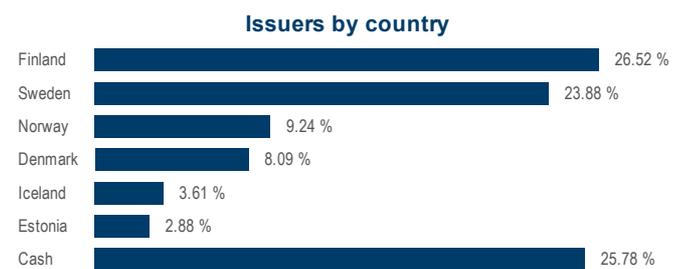
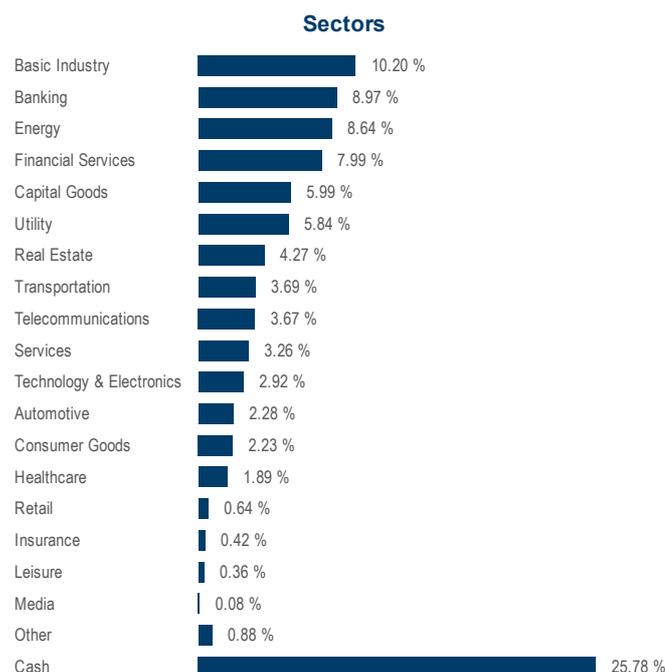
Evli uses weighted average carbon intensity to measure the carbon footprint according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). According to MSCI's analysis, the weighted average carbon intensity is categorized as following Very Low (0 to <15), Low (15 to <70), Moderate (70 to <250), High (250 to <525), and Very High (>=525).

|                  |                           |
|------------------|---------------------------|
| Carbon footprint | 230<br>(t CO2e/\$M Sales) |
|------------------|---------------------------|

[Please read more about Fund's responsibility from its ESG-report >](#)

## PORTFOLIO STRUCTURE

Weight



## 10 LARGEST INVESTMENTS

|   | %    |
|---|------|
| Yritystodistus Fortum 20.06.2022                    | 2.60 |
| Yritystodistus Fortum 20.07.2022                    | 2.60 |
| Yritystodistus Fortum 18.05.2022                    | 2.09 |
| Eesti Energia As 22.9.2023 2.384% At Maturity Fixed | 1.94 |
| Finnair Oyj 29.03.2022 2.25% Callable Fixed         | 1.64 |
| Ssab Ab 5.4.2022 3.563% At Maturity Floating        | 1.47 |
| Tdc A/S 2.3.2022 3.75%                              | 1.45 |
| Tdc A/S 23.2.2023 6.875% At Maturity Fixed          | 1.45 |
| Aker 31.1.2023 3.51% Callable Floating              | 1.37 |
| Saab Ab 28.9.2022 1.167% At Maturity Floating       | 1.32 |

## 10 LARGEST ISSUERS

|                                 | %    |
|---------------------------------|------|
| FORTUM OYJ                      | 7.28 |
| Intrum AB                       | 3.13 |
| Landsbankinn HF                 | 3.00 |
| TDC A/S                         | 2.91 |
| Aker ASA                        | 2.36 |
| Telefonaktiebolaget LM Ericsson | 2.12 |
| Scania CV AB                    | 2.02 |
| Eesti Energia AS                | 1.94 |
| OUTOKUMPU OYJ                   | 1.67 |
| FINNAIR OYJ                     | 1.64 |

## SHARE CLASS INFORMATION

| Share Class                            | A            | B            | IB            | BSEK         |
|--|--------------|--------------|---------------|--------------|
| Launch Date                            | 26.2.2010    | 31.1.1996    | 31.1.2018     | 23.5.2013    |
| Currency                               | EUR          | EUR          | EUR           | SEK          |
| NAV 28.2.2022                          | 18.068       | 25.42        | 101.948       | 1 064.873    |
| Management and Custody Fee per year, % | 0.30         | 0.30         | 0.15          | 0.30         |
| TER per year, %                        | 0.30         | 0.30         | 0.15          | 0.30         |
| Sales Registration                     | FI,SE        | FI,SE        | FI,SE         | FI,SE        |
| ISIN                                   | FI0008804455 | FI0008804463 | FI4000301528  | FI4000058854 |
| Bloomberg                              | CARLIKV FH   | CARLIK B FH  | CARLIIB FH    | CARLIBS FH   |
| WKN                                    | -            | -            | -             | -            |
| Clean Share                            | No           | No           | Yes           | No           |
| Minimum Investment                     | 5,000        | 1,000        | 20,000,000    | 10,000       |
| Profit Distribution                    | Annually     | Accumulated  | Accumulated   | Accumulated  |
| Target Investor                        | Retail       | Retail       | Institutional | Retail       |

## DICTIONARY

**Alpha** describes the effect of the portfolio manager's investment choices on the fund's return compared with the return of an index portfolio with corresponding market risk, i.e. the additional returns attained by the fund in relation to its market risk.

**Beta** describes the sensitivity of the fund's value to changes in the benchmark index. If the value of the benchmark index changes by one percent, the expected change in the fund's value is beta x 1 percent. On average, the fund's value will change more than the value of the benchmark index if the beta value is greater than 1. A beta value less than 1 indicates the opposite, i.e. that the fund's value will change less than the benchmark value.

**Carbon footprint** Evli uses weighted average carbon intensity to measure the carbon footprint according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The funds holdings' carbon intensity figures are based on the emissions figures produced by MSCI.

**Duration** measures the average repayment term (in years) of a fixed income instrument. Modified duration indicates the price sensitivity of a fixed income security to changes in interest rates. The higher the duration number, the greater the interest rate risk of the fund portfolio.

**Information Ratio** describes the long-term ability of a portfolio manager to add value through active portfolio management. If the Information Ratio is zero, the long-term return of the fund equals that of the benchmark index. In practice this means that the fund has outperformed the benchmark index, on average, for five years out of ten. The higher the Information Ratio, the greater the probability that the fund will outperform its benchmark. With an IR of 0.5 the fund has outperformed the benchmark, on average, in seven years out of ten, and with an IR of 1.0 in 8.5 years out of ten.

**OAS** describes average credit spread to similar maturity government bonds in basis points (0.01 percentage points). Measures the excess yield of corporate bonds to risk free rate.

**Portfolio Turnover Rate** is a measure of the length of time that a security remains in a portfolio during a given period. The portfolio turnover rate is calculated by subtracting the sum of subscriptions and redemptions of fund units (EUR S+T) from the sum of the securities bought and sold by the fund (EUR X+Y). The turnover is the abovementioned difference divided by the average market value of the fund, which has been calculated from the daily market values over the past 12 months. For example, if all assets have been sold and bought once it would equal to a turnover rate of 1. Portfolio turnover rate =  $((X + Y) - (S + T)) / M \times 100 / 2$ , where X = Securities bought, Y = Securities sold, S = Fund's fund units issued / subscribed, T = Fund's fund units cancelled / redeemed, M = Average total value of net assets.

**R-Square** describes the extent to which the fund's performance is dependent on the performance of the benchmark index. R-square is the square of the correlation coefficient.

**SFDR-classification** In accordance with the Sustainable Finance Disclosure Regulation (SFDR), article 8 funds promote sustainability factors among other features, and article 9 funds aim to make sustainable investments. Other funds address only sustainability risks in their investments decisions (article 6 funds).

**Sharpe Ratio** indicates the size of return relative to risk taken. The Sharpe ratio measures the fund's return (with volatility of one percent) in excess of a risk-free return. The higher the Sharpe ratio, the more favorable the relationship between return and risk.

**TER** (Total Expense Ratio) is a measure of a fund's total expenses in relation to its average assets and is expressed as an annualized percentage. The expenses include all the fund's management and custody fees and any profit-related fees. Securities commissions are excluded.  $TER = A + B + C + D$ , where A = Management fee charged from the fund's assets, B = Custodian fee that may be charged separately from the fund's assets, C = Account maintenance and other bank charges that may be charged from the fund's assets, D = Any other fees which, according to the fund's rules, are charged directly from the fund's assets. As a rule, funds registered in Finland do not make such charges on top of trading fees.

**Tracking Error** indicates the risk of active portfolio management in relation to the risk of the benchmark index. The higher the number, the more the fund's performance differs from the benchmark's performance. If the tracking error is 5%, the fund's return will deviate in about two years out of three  $\pm 5\%$  of the benchmark's return. The tracking error is zero if the relative weights of the fund's investments are exactly the same as in the benchmark index. Tracking error increases if investment weights are changed relative to the weights of the benchmark index.

**Volatility** is a risk measure generally used in financial markets. It reflects variability in the return of an investment or a portfolio. The higher the volatility, the greater the variability in return and the risk involved. If the fund's expected return is 12% and the volatility is 20%, then the fund's return for two years out of three is  $12 \pm 20\%$ , that is, between -8% and +32%. Volatility is calculated on the basis of the standard deviation of weekly returns and expressed as an annual percentage.

**Yield (YTM), %** Estimated annual rate of return to maturity (yield to maturity).

**YTW, %** Lowest estimated annual rate of return, if bonds are callable before maturity date (yield to worst).

## BASIC INFORMATION

|   |   |
|---|---|
| Domicile  | Finland   |
| Trade Frequency   | Daily   |
| Clearing Time   | Trade date + 1  |
| Cut Off Time  | 14:00 EET (Trade date)                                  |
| Currency  | EUR   |
| Custodian   | Skandinaviska Enskilda Banken AB (publ) Helsinki branch |
| Auditor   | PricewaterhouseCoopers Ltd                              |
| NAV Calculation, Fund Registry keeper and Fund Management Company | Evli Fund Management Company Ltd                        |
| GIPS Compliant  | Yes   |
| Orders In   | Currency only   |

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