

ODIN Norden 31/03/2025

The fund features the unit classes in SEK, NOK and EUR: A, B, C, D, D2, F, G, H, I and J

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FUND COMMENTARY

March has been a weak month in the Nordic stock market and for ODIN Norden. The news has been dominated by US President Donald Trump's many statements in both defense and trade policy.

The introduction of tariffs on steel, aluminum, and cars, as well as threats of further tariffs in general, have been negatively received by the market. The comprehensive US tariff plan will be presented on April 2nd. The type and size of the tariffs will have consequences for the economic outlook going forward. At the same time, it is assumed that Trump will retract somewhat if the economic consequences for the US become too severe. We have had meetings with many of our portfolio companies, and of those that have sales in the US, most also have production in the US. Some report that they import parts from Mexico, but so do their competitors, so often entire industries will be affected by any tariffs.

The US turnaround in defense policy has led European countries to initiate a significant buildup of European defense. This can be a growth impulse for Europe, while also leading to a shift where Europe increasingly prioritizes profitability and investments at home. In the EU, initiatives have already been taken to reduce costly reporting and bureaucracy that has expanded in recent years.

The US 10-year interest rate, also called "the world's most important interest rate," fell back last month by about 0.25%, while the Nordic and European 10-year interest rates have gone the opposite way and increased by 0.20% in Norway, 0.30% in Sweden, and 0.65% in the Euro area. At the same time, currency movements have been significant. The Euro and Danish Krone have fallen back around 3.5%, while the Swedish Krona has strengthened marginally.

Companies continue to make acquisitions: We have invested in a number of companies that, in addition to being in markets with underlying organic growth, also make value-enhancing acquisitions. In February, Assa Abloy announced new acquisitions. Gjensidige bought the home insurance company Buysure. Salmar bought out Aker's 15% stake in the offshore aquaculture company Salmar Aker Ocean and now owns the company 100%.

Portfolio Managers:



Vigdis Almestad



Atle Hauge

Why invest in this fund?

A world in miniature – sector-wise diversification in line with the global index. You get exposure to niche companies that are making a global journey. Nordic companies typically have great transparency and good corporate governance.

Historically, companies in the Nordic region have delivered world-class profitability. As a result, price movements in the equity markets in the Nordic region have been at their peak in terms of returns, although there are slightly more fluctuations.

How is the fund positioned?

ODIN Norden has a concentrated portfolio. The best ideas from the country funds compete with each other in a Nordic context. The fund consists of quality companies that deliver good returns on capital and have identified competitive advantages. This makes the fund resilient, for continued solid development over time.