



**YMER**

Alternative Credit Fund III

2025 Q1

1.9%

Year to date

1.9%

Last quarter

47.3%

Since Inception

## Portfolio managers



Stefan Engstrand



Hubert Warzynski



Christian Fredriksson

## Key Statistics

	YMER AC FUND III	iBoxx EUR HY	Eurostoxx 50
Cumulative Return	47.3%	16.7%	27.8%
Average Quarter	5.0%	2.0%	3.3%
Valuation Periods	8	8	8
Positive Valuation Periods	8	8	5

## Quarterly returns



## Market Commentary

Q1 2025 started off with strong market conditions, both credit markets and European equities advanced significantly. CLO debt tranches reached historically tight levels and CLO equity was in strong demand. Market sentiment changed at the end of the quarter as the new U.S. administration disrupted markets with tariffs and increased uncertainty. While we expect some increase in loan defaults and downgrades, CLOs do have structural protections and have historically remained resilient. In particular, CLO equity has historically benefitted from market dislocations for the long-term investor.

	Q1	Q2	Q3	Q4	Annual
2023	-	3.27% (103.27%)	7.03% (110.54%)	6.64% (117.88%)	17.9%
2024	6.21% (125.20%)	3.25% (129.27%)	6.83% (138.11%)	4.61% (144.47%)	22.6%
2025	1.94% (147.27%)				1.9%

Based on a reference investor who invested at the initial close.

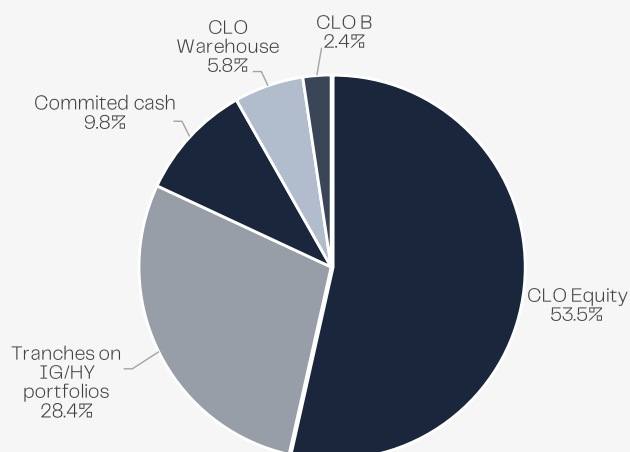
## Performance

The NAV increased by 1.9% in the first quarter of 2025. It was an active quarter where the fund took advantage of the strong market technicals, selling into strength by disposing a meaningful amount of shorter dated CLOs and a CSO. Parts of the proceeds were reinvested in longer-dated CLOs, CLO warehouses and a short-dated CSO. A large CLO equity position was reset during the quarter, contributing to the positive result. One warehouse was converted into a CLO, while two others have been ramping loans gradually. Additionally, the fund has negotiated a pipeline of attractive investments for the remainder of the year.

The fund aims to take advantage of opportunities, as they might arise from uncertainty around tariffs policy. Having locked-up capital, no short-term leverage and reinvesting high cashflows allows the fund to capture attractive investments in uncertain times.

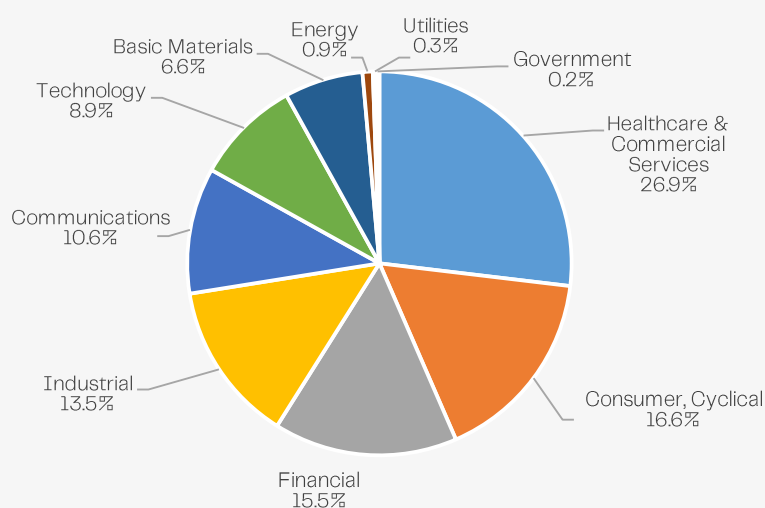
The fund is now closed for new investors and the next report will be published 10 business days into the next quarter.

## Portfolio Allocation



Allocation	Weight
CLO Equity	53.5%
Tranches on IG/HY portfolios	28.4%
Committed cash	9.8%
CLO Warehouse	5.8%
CLO B	2.4%

## Sector Exposure



Sector	Weight
Healthcare & Commercial Services	26.9%
Consumer, Cyclical	16.6%
Financial	15.5%
Industrial	13.5%
Communications	10.6%
Technology	8.9%
Basic Materials	6.6%
Energy	0.9%
Utilities	0.3%
Government	0.2%

## Regional Exposure



Country	Weight
United States	18.0%
France	17.5%
United Kingdom	16.4%
Germany	13.8%
Netherlands	12.2%
Spain	5.6%
Italy	5.3%
Sweden	3.6%
Belgium	1.9%
Finland	1.4%