

NEWSLETTER APRIL 2015



MIDGARD
FIXED INCOME FUND LIMITED

Performance & NAV	AA	A	B
Monthly return	1.26%	1.26%	1.05%
Return year-to-date	12.92%	12.92%	11.81%
NAV per share	268.05	132.10	125.67

All statistics, unless otherwise stated, are for the AA share class.

MARKET UPDATE APRIL 2015

Midgard Fixed Income Fund Ltd. returned 1.26 per cent in April, bringing the year-to-date return to 12.92 per cent.

In April, market activity in Danish Kroner picked up as EURDKK was once again offered, sending the Krone below 7.47 against the Euro. Throughout the month, the interest rate differential between DKK and EUR generally tightened as DKK swap rates reversed their upward trend, lending a helping hand to Danish covered bond performance. Despite the recent performance between EUR and DKK, the steepness of the forward interest rate differential curve remains at levels which makes it still a very interesting case for Midgard.

In Sweden, the Riksbank left its repo rate unchanged in April at an all-time low of -25 bps., as it saw the economy's fundamentals and inflation expectations picking up ground. At the same time, the central bank announced an expansion of its quantitative easing programme by 40-50 bn. and a significant downward revision of the repo path, all supporting a key part of the fund's investment strategy.

An unexpectedly poor GDP print out of the US sent govies lower in the US and core Eurozone, leaving Bill Gross' "short of the century" off to a good start. On the short term this left swap OAS in DKK and SEK impacted adversely and EURDKK rate differentials wider, however on the medium term we believe that especially Riksbank QE as well as spill-over from ECB QE will be a definite supporting factor for Midgard's core strategy.



Stefan Helgason
Portfolio Manager, Midgard

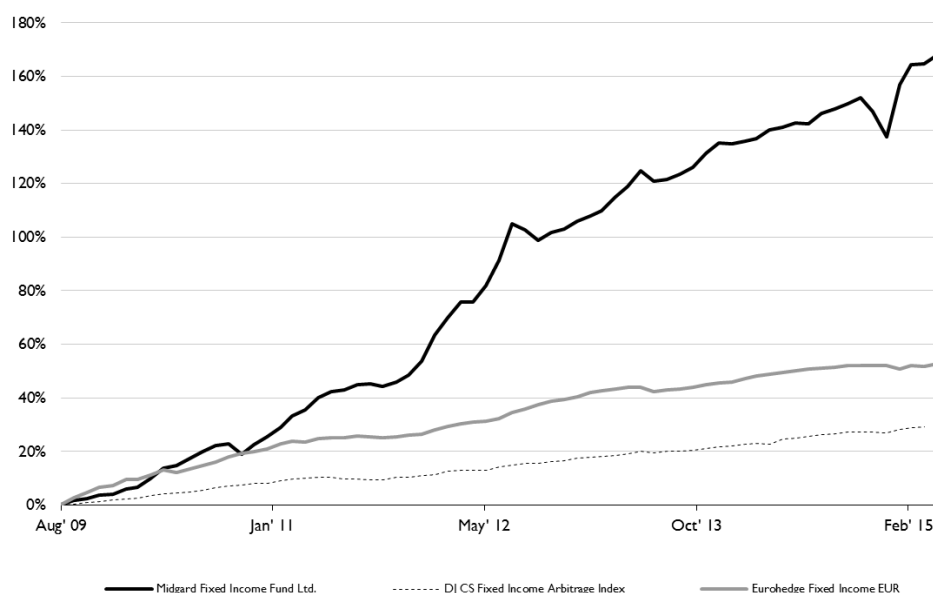
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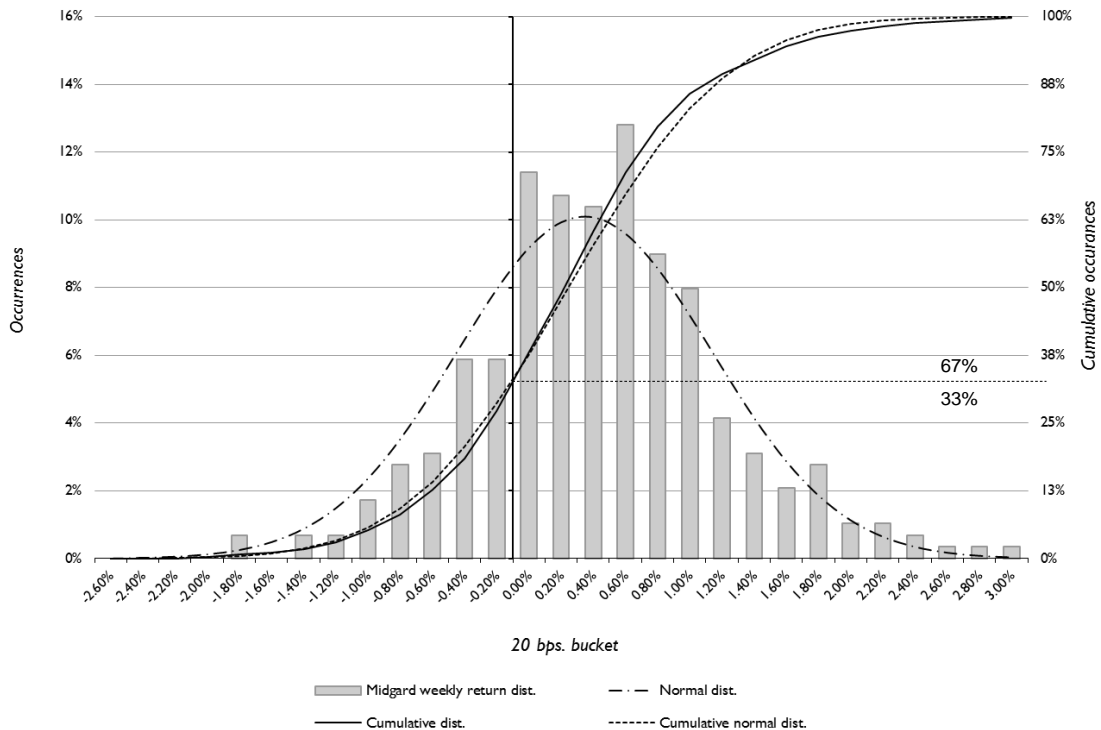
HISTORICAL PERFORMANCE

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YoY
2009									1.66%	0.59%	1.32%	0.39%	4.01%
2010	1.98%	0.44%	3.23%	3.34%	0.91%	2.32%	2.16%	2.03%	0.31%	-2.98%	2.80%	2.56%	20.67%
2011	2.71%	3.40%	1.65%	3.32%	1.74%	0.30%	1.49%	0.18%	-0.75%	1.31%	1.77%	3.45%	22.50%
2012	6.20%	4.03%	3.56%	-0.01%	3.43%	5.25%	6.97%	-1.07%	-1.82%	1.47%	0.50%	1.54%	34.00%
2013	0.91%	1.01%	2.41%	1.81%	2.70%	-1.82%	0.36%	0.89%	1.14%	2.24%	1.71%	-0.16%	13.95%
2014	0.51%	0.41%	1.29%	0.42%	0.64%	-0.05%	1.57%	0.62%	0.83%	0.88%	-2.06%	-3.82%	1.11%
2015	8.18%	3.01%	0.07%	1.26%									12.92%



Return	Midgard Fixed Income Fund Ltd.	EuroHedge Fixed Income Arbitrage Index	DJA Fixed Income Arbitrage Index
Annualized	19.01%	4.71%	7.78%
Last 12 months	11.21%	5.35%	2.29%
Last 3 months	4.38%	1.81%	1.30%
Since inception	168.05%	29.27%	52.86%
Best month	8.18%	1.51%	2.77%
Worst month	-3.82%	-0.50%	-1.14%
Positive months	85.29%	88.06%	86.76%
Negative months	14.71%	11.94%	13.24%
Volatility	7.02%	1.30%	2.35%
Sharpe Ratio	2.64	3.27	3.11

RETURN DISTRIBUTION



Moments	Midgard Fixed Income	EuroHedge Fixed	DJA Fixed Income
	Fund Ltd.	Income Arbitrage Index	Arbitrage Index
Return	19.01%	4.71%	7.78%
Standard deviation	7.02%	1.30%	2.35%
Kurtosis	2.15	0.63	1.15
Skewness	0.54	-0.09	0.31

Correlation analysis	Midgard Fixed Income	EuroHedge Fixed	DJA Fixed Income
	Fund Ltd.	Income Arbitrage Index	Arbitrage Index
Correlation coefficient	-	45.89%	18.81%
Beta	-	254.03%	51.83%
Alpha	-	9.40%	16.31%
R2	-	21.06%	3.54%
Autocorrelation	18.79%	-5.61%	33.99%

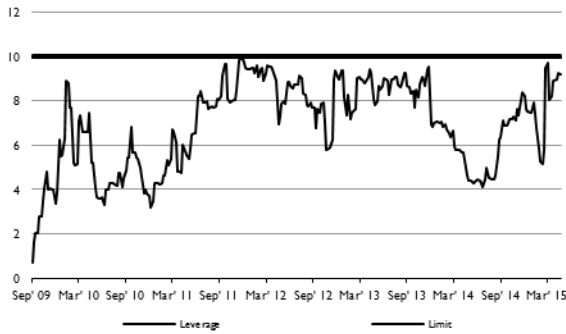
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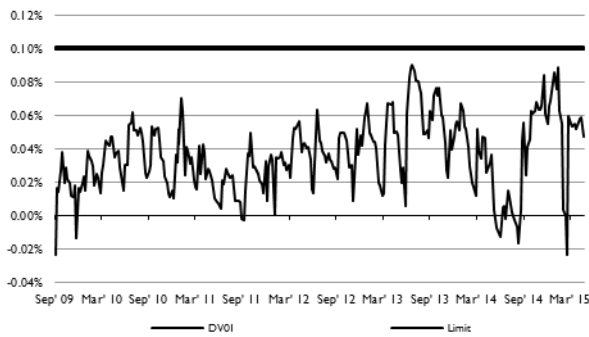
RISK & LINE LIMITS

LEVERAGE

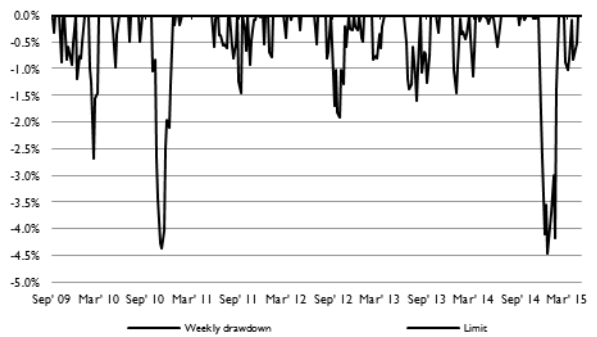


Risk	Midgard	Line/limit
DV01	0.06%	± 0.10%
Leverage	9.20	Max. 10
VaR	0.12%	Max. 2 %
FX exposure	34.88%	Max. 100 %

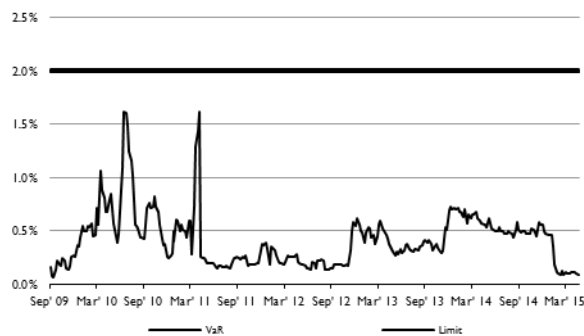
DV01



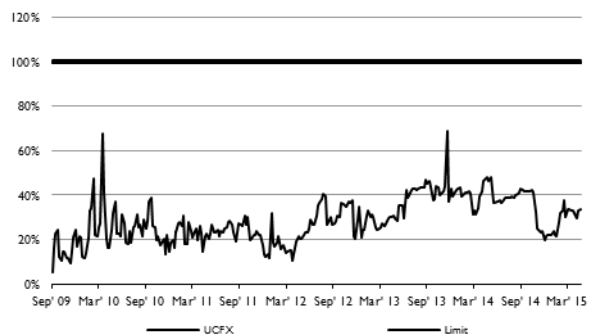
WEEKLY DRAWDOWN



VaR



NON-COVERED FX EXPOSURE



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RISK FIGURES

Risk Figure	Weekly data		Note
	Since inception	1Y	
<i>Period</i>			
Portfolio return (r_p)	19.01%	11.21%	
Excess return ($r_p - r_f$)	18.60%	11.20%	
<i>36 month</i>			
Portfolio return (r_p)	15.07%	-	
Excess return ($r_p - r_f$)	14.98%	-	
Maximum drawdown since inception	4.46%	4.46%	
Maximum drawdown 36m	4.46%	-	*
Largest individual drawdown			
First	1.86%	4.46%	
Second	1.85%	4.18%	
Third	1.46%	4.11%	
Average	1.72%	4.25%	
Calmar Ratio	3.36	-	*
MAR Ratio	4.17	2.51	
Sterling ratio	10.79	2.64	
Downside risk	0.79%	1.86%	
Upside risk	1.34%	3.15%	
Loss standard deviation	6.58%	6.40%	
Gain standard deviation	5.13%	6.20%	
Mean absolute moment, downside	-24.26%	-24.55%	
Mean absolute moment, upside	38.23%	32.38%	
Omega ratio	1.69	1.69	
Volatility skewness	0.61	0.94	

* Not applicable for 1-year returns

MIDGARD

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Strategy AUM	EUR 536.59 million
Listing	Irish Stock Exchange
ISIN	KYG6125M1015
Bloomberg ID	MIDGFXI KY Equity
Investment Manager	PFA Asset Management Sundkrogsgade 4 2100 Copenhagen Denmark +45 39 17 50 00 www.pfaassetmanagement.dk
Administrator	GlobeOp Financial Services +1 345 945 5664
Prime Broker	Skandinaviska Enskilda Banken AB +45 33 36 85 07
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