



NEWSLETTER March 2020

PFA
INVESTMENT FUND

Performance & NAV	AA	A	B
Monthly return	-5.44%	-5.48%	-5.48%
Return year-to-date	-8.08%	-8.19%	-8.19%
NAV per share	316.11	153.21	139.24

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

MARKET UPDATE March 2020

March month started on a tough note, after a market wide risk-off sentiment in the last week of February due to the continued spread of the COVID-19 virus outside of China. Equities were down 13% since the mid-February highs and the Federal Reserve responded promptly by cutting rates with 50 bps in early March in their first inter-meeting emergency rate cut since the height of the Financial Crisis in October 2008.

As if things weren't bad enough Saudi Arabia chose to catapult the international financial markets into full-blown crisis mode by announcing oil price discounts and increased production, which sent oil prices plummeting. Combine this with a rapidly increasing virus contagion, which in turn pushed countries to shut down their borders and enforce economy-wide lockdown measures, and the massive and global supply shock was now met with a massive and global demand shock.

Global central banks and governments responded without hesitation, having learned their lesson from the past. Key policy rates were cut in many countries and large-scale monetary and fiscal policy packages were implemented with haste, including asset purchase programs and liquidity provision measures.

March was undoubtedly a month that will go over in history. On March 23rd the S&P index bottomed out some 23% down on the month and approx. 34% down since February highs. High Yield credit spreads had at one time widened roughly 500 bps, and US 10 year rates ended the month 50 bps lower. Many markets, and maybe in fixed income markets particularly, had experienced some of the worst liquidity on record.

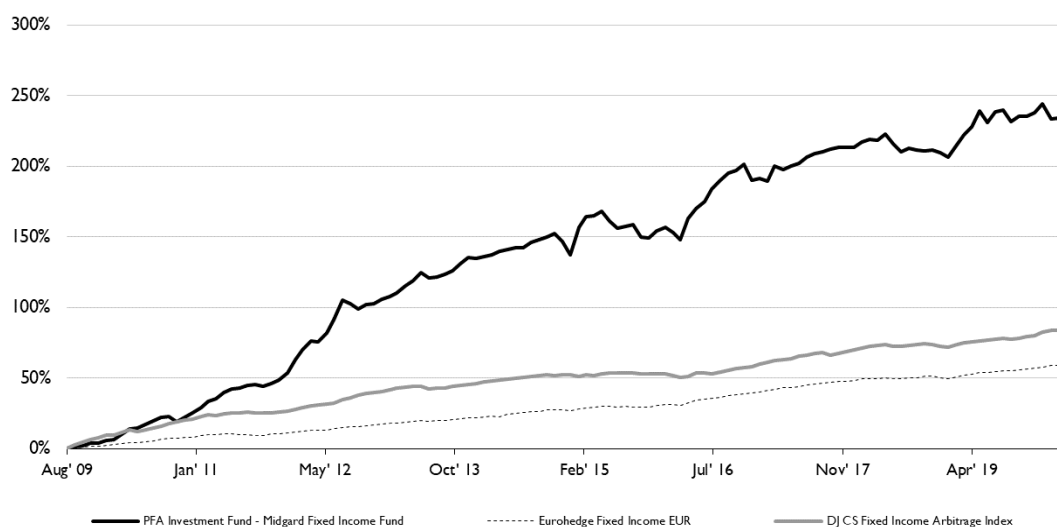
The Midgard fund struggled in March and returned negative -5.44% on the month. This was largely attributable to wider ASW spreads across Scandi markets in sympathy with other credit spreads. Norwegian rates were one of the few rates markets with room to give in such an environment, and the diminishing spread to Euro and Swedish rates was another negative contributor.



Jesper Slemming
Chief Investment Officer, PFA Investment Fund

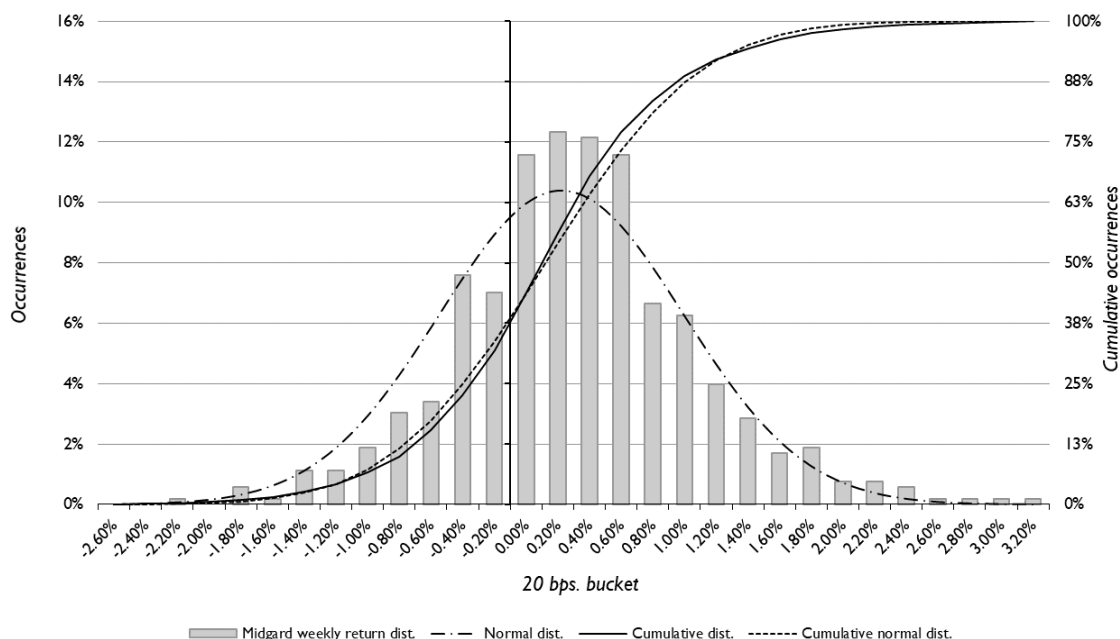
HISTORICAL PERFORMANCE

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%	-2.69%	-1.74%	0.37%	0.53%	-3.37%	-0.28%	1.92%	1.18%	8.27%
2016	-1.67%	-1.86%	5.99%	2.64%	1.94%	3.09%	2.39%	1.63%	0.61%	1.62%	-3.75%	0.41%	13.42%
2017	-0.62%	3.53%	-0.84%	0.82%	0.74%	1.45%	0.87%	0.33%	0.57%	0.42%	0.08%	-0.07%	7.46%
2018	1.23%	0.68%	-0.20%	1.24%	-2.12%	-1.80%	0.77%	-0.26%	-0.25%	0.10%	-0.60%	-0.93%	-2.18%
2019	2.90%	2.08%	1.88%	3.39%	-2.39%	2.29%	0.41%	-2.43%	1.14%	-0.09%	0.83%	1.78%	12.23%
2020	-2.96%	0.18%	-5.44%										-8.08%



Return	PFA Investment Fund - Midgard Fixed Income Fund	EuroHedge Fixed Income Arbitrage Index	DJ CS Fixed Income Arbitrage Index
Annualized	11.49%	4.51%	5.92%
Last 12 months	-3.60%	2.90%	3.28%
Last 3 months	-8.08%	0.73%	0.79%
Since inception	216.11%	55.94%	79.39%
Best month	8.18%	1.51%	2.77%
Worst month	-5.44%	-0.76%	-1.19%
Positive months	74.80%	83.47%	81.97%
Negative months	25.20%	16.53%	18.03%
Volatility	7.23%	1.46%	2.25%
Sharpe Ratio	1.58	3.02	2.59

RETURN DISTRIBUTION

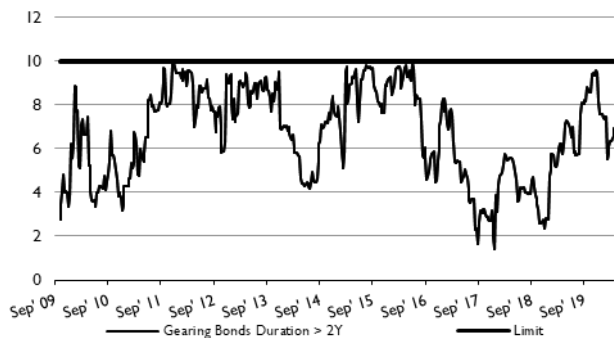


Moments	PFA Investment Fund - Midgard Fixed Income Fund	EuroHedge Fixed Income Arbitrage Index	DJ CS Fixed Income Arbitrage Index
Return	11.49%	4.51%	5.92%
Standard deviation	7.23%	1.46%	2.25%
Kurtosis	1.70	0.36	1.22
Skewness	0.17	-0.25	0.11

Correlation analysis	PFA Investment Fund - Midgard Fixed Income Fund	EuroHedge Fixed Income Arbitrage Index	DJ CS Fixed Income Arbitrage Index
Correlation coefficient	-	53.58%	32.57%
Beta	-	256.01%	100.87%
Alpha	-	0.79%	6.35%
R2	-	28.70%	10.61%
Autocorrelation	18.57%	8.12%	33.85%

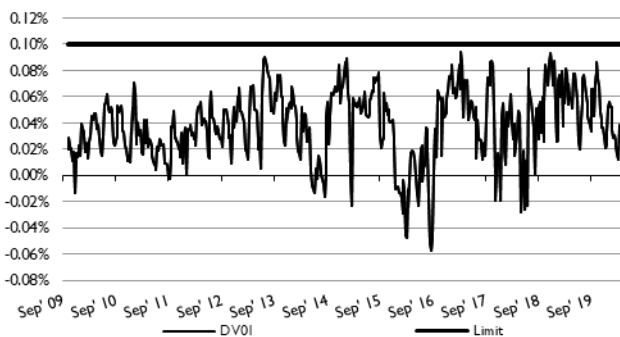
RISK & LINE LIMITS

GEARING BONDS DURATION > 2Y

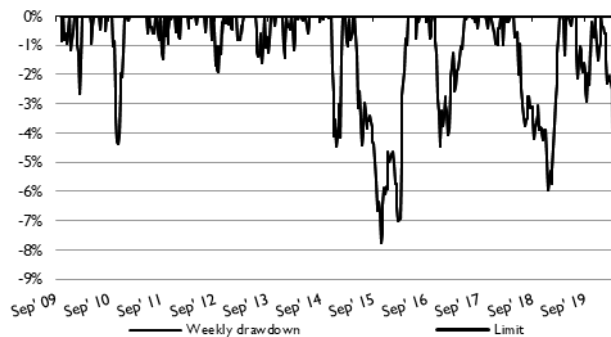


Risk	Midgard	Lime/limit
DV01	0.04%	± 0.10%
Leverage	7.12	Max. 10
VaR	0.33%	Max. 2 %
FX exposure	10.79%	Max. 100 %

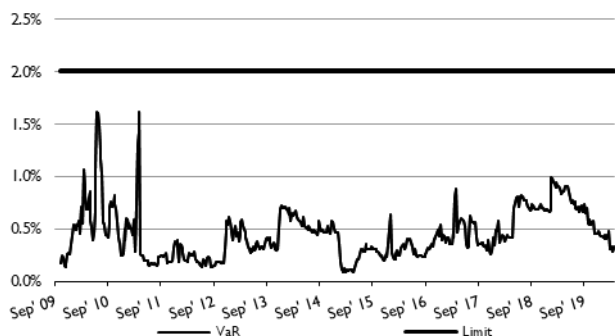
DV01



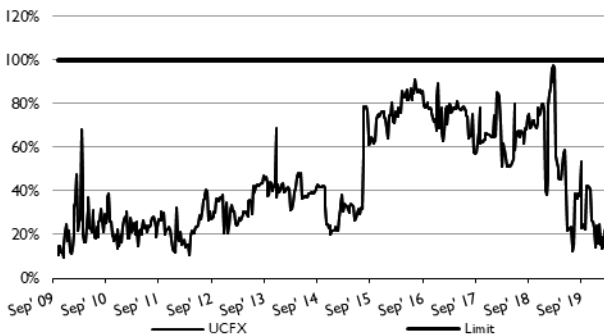
WEEKLY DRAWDOWN



VaR



NON-COVERED FX EXPOSURE



RISK FIGURES

Risk Figure	Weekly data		Note
	Since inception	1Y	
<i>Period</i>			
Portfolio return (r_p)	11.49%	-3.60%	
Excess return ($r_p - r_f$)	11.46%	-3.18%	
<i>36 month</i>			
Portfolio return (r_p)	2.05%	-	
Excess return ($r_p - r_f$)	2.44%	-	
Maximum drawdown since inception	7.78%	7.72%	
Maximum drawdown 36m	7.72%	-	*
Largest individual drawdown			
First	2.34%	2.34%	
Second	1.86%	1.57%	
Third	1.85%	1.50%	
Average	2.02%	1.80%	
Calmar Ratio	0.32	-	*
MAR Ratio	1.47	-0.41	
Sterling ratio	5.69	-2.00	
Downside risk	0.73%	2.34%	
Upside risk	0.99%	1.37%	
Loss standard deviation	5.91%	5.36%	
Gain standard deviation	5.00%	5.68%	
Mean absolute moment, downside	-25.14%	-30.67%	
Mean absolute moment, upside	33.42%	30.33%	
Omega ratio	1.35	0.59	
Volatility skewness	0.72	1.13	

* Not applicable for 1-year returns

PFA

INVESTMENT FUND

Strategy AUM	EUR 495.3 million
Listing	Irish Stock Exchange
ISIN	LU1439934933
Bloomberg ID	MIDGFXI LX 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
Investor Relations	PFA Asset Management +45 39 17 50 00