



**NEWSLETTER NOVEMBER
2015**

MIDGARD
FIXED INCOME FUND LIMITED

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Performance & NAV	AA	A	B
Monthly return	1.92%	1.92%	1.84%
Return year-to-date	7.00%	7.00%	5.47%
NAV per share	254.01	125.19	118.54

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

MARKET UPDATE NOVEMBER 2015

The Midgard Fixed Income Fund Ltd. returned 1.92% in November, bringing total YTD return to 7.00%.

The January-term auctions in Denmark—traditionally the biggest on the issuance calendar—came and went in November. Throughout the auction period, spreads were generally characterized by relatively low volatility, with most spreads ending unchanged relative to where they traded just before the auctions began.

The amounts auctioned in November indicate quite a substantial amount of year-end issuance. A sizeable amount of this issuance is expected to be in floating rate notes, and at current spreads these look quite attractive.

Spreads between Swedish and Danish covered bonds at the moment suggest more value in longer-dated Swedish bonds, while shorter-dated bonds are relatively on par in between the two countries. The question at this juncture is whether central bank action, primarily out of Sweden, will result in tightening of spreads back to levels seen earlier in 2015 through spill-over from the central bank's easing policies.



Stefan Helgason
Portfolio Manager, Midgard

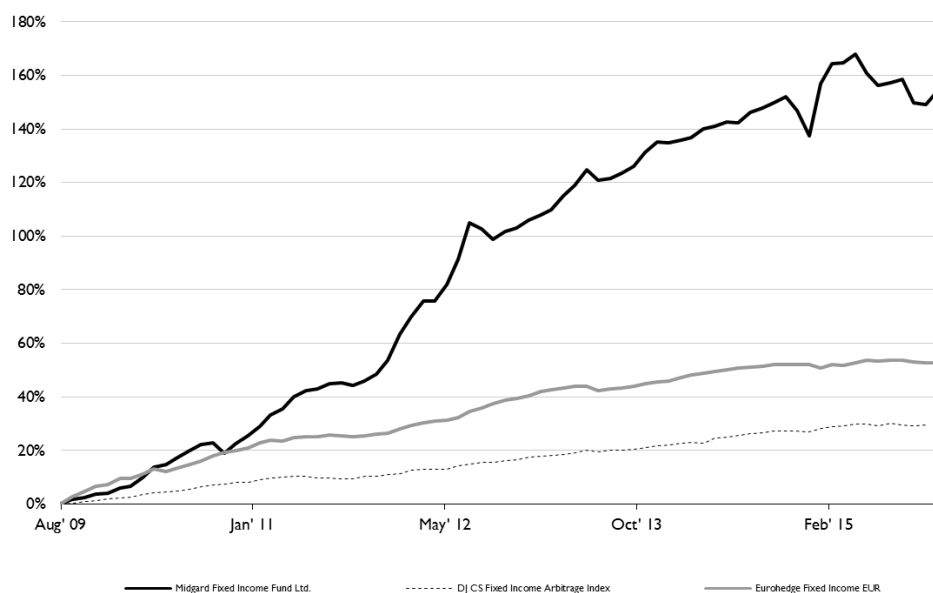
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HISTORICAL PERFORMANCE

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%	-2.69%	-1.74%	0.37%	0.53%	-3.37%	-0.28%	1.92%		7.00%



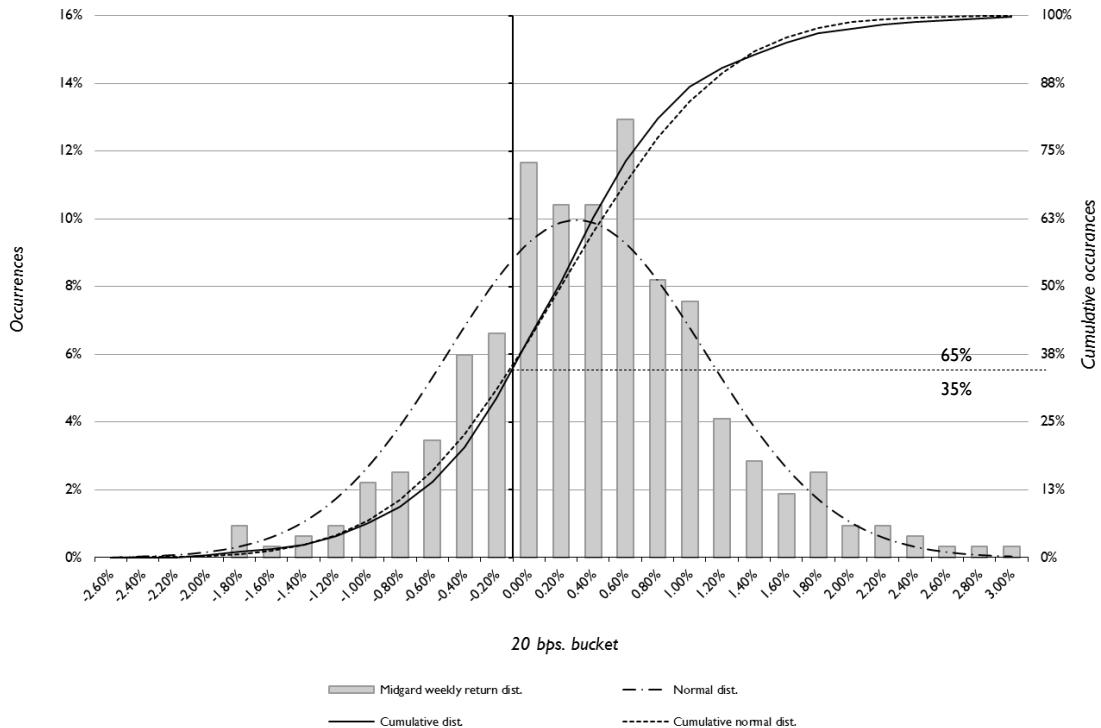
Return	Midgard Fixed Income Fund Ltd.	EuroHedge Fixed Income Arbitrage Index	DJIA Fixed Income Arbitrage Index
Annualized	16.09%	4.30%	7.02%
Last 12 months	2.91%	1.82%	0.37%
Last 3 months	-1.78%	-0.48%	-0.57%
Since inception	154.01%	29.63%	52.79%
Best month	8.18%	1.51%	2.77%
Worst month	-3.82%	-0.58%	-1.14%
Positive months	81.33%	83.78%	82.67%
Negative months	18.67%	16.22%	17.33%
Volatility	7.30%	1.41%	2.35%
Sharpe Ratio	2.15	2.77	2.82

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RETURN DISTRIBUTION



Moments	Midgard Fixed Income	EuroHedge Fixed	DJIA Fixed Income
	Fund Ltd.	Income Arbitrage Index	Arbitrage Index
Return	16.09%	4.30%	7.10%
Standard deviation	7.30%	1.41%	2.35%
Kurtosis	1.77	0.32	1.03
Skewness	0.40	-0.26	0.42

Correlation analysis	Midgard Fixed Income	EuroHedge Fixed	DJIA 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	24.24%	-3.93%	37.26%

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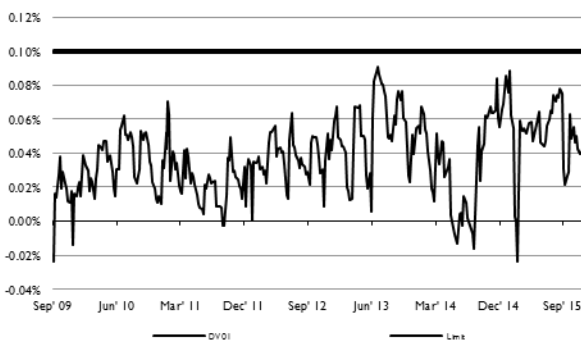
RISK & LINE LIMITS

LEVERAGE

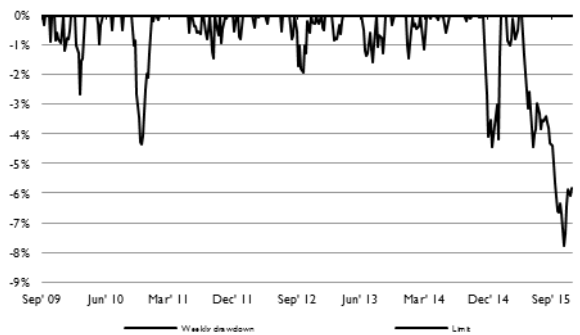


Risk	Midgard	Limit/limit
DV01	0.04%	± 0.10%
Leverage	8.91	Max. 10
VaR	0.24%	Max. 2 %
FX exposure	75.56%	Max. 100 %

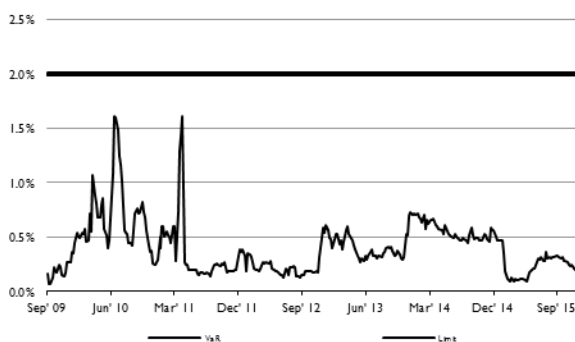
DV01



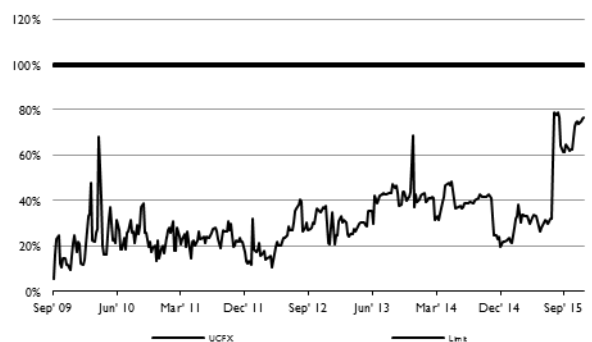
WEEKLY DRAWDOWN



VaR



NON-COVERED FX EXPOSURE



RISK FIGURES

Risk Figure	Weekly data		Note
	Since inception	1Y	
<i>Period</i>			
Portfolio return (r_p)	16.09%	2.91%	
Excess return ($r_p - r_f$)	15.74%	3.01%	
<i>36 month</i>			
Portfolio return (r_p)	7.78%	-	
Excess return ($r_p - r_f$)	7.75%	-	
Maximum drawdown since inception	7.78%	7.78%	
Maximum drawdown 36m	7.78%	-	*
Largest individual drawdown			
First	1.86%	1.86%	
Second	1.85%	1.46%	
Third	1.46%	1.22%	
Average	1.72%	1.51%	
Calmar Ratio	1.00	-	*
MAR Ratio	2.02	0.39	
Sterling ratio	9.13	1.92	
Downside risk	0.76%	1.86%	
Upside risk	1.28%	3.15%	
Loss standard deviation	6.32%	5.93%	
Gain standard deviation	5.18%	7.82%	
Mean absolute moment, downside	-24.59%	-32.18%	
Mean absolute moment, upside	37.51%	40.94%	
Omega ratio	1.69	1.69	
Volatility skewness	0.67	1.74	

* Not applicable for 1-year returns

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Strategy AUM	EUR 424.471 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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