

SEK Rates

OMRX Index re-balancing October

Nordea Research, 05 October 2015

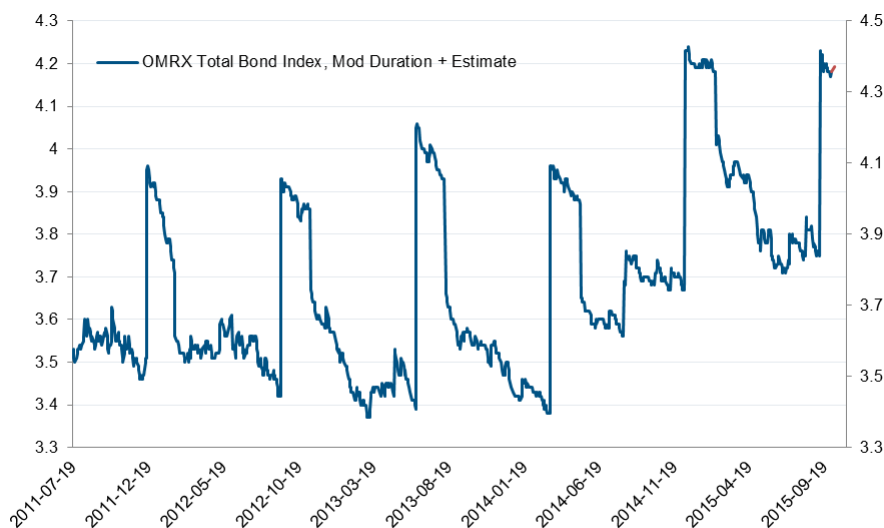
- Minor changes in indices in October

Re-balancing – October

After the large changes in September, we see minor changes this month. No government bonds or covered bonds will become shorter than one year. Therefore, no bonds are excluded from the OMRX indices on the re-balancing date 12 October (market open). The mortgage factor is estimated to be rather unchanged, decreasing to 3.90 from 3.92.

KI 1610 will become shorter than one year and will be excluded from Handelsbanken's indices on the re-balancing date 7 October (market close).

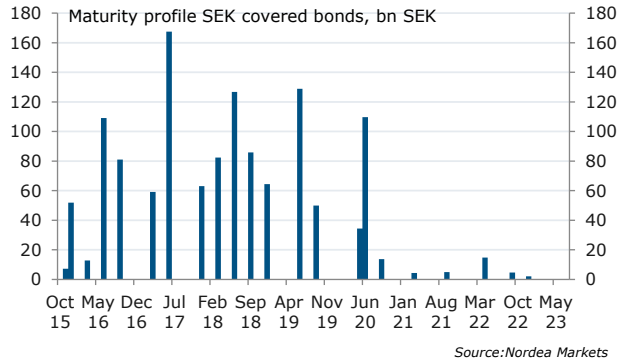
Duration effect OMRX Total Bond Index



Sofie Andersson

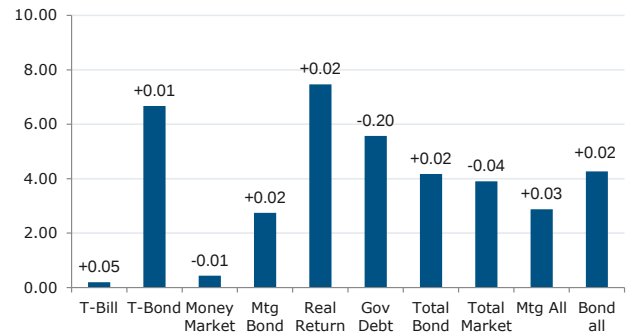
Assistant Analyst – Institutional
Sales FI, Sweden
sofie.b.andersson@nordea.com

Fig 1 – Maturity profile mtg bonds



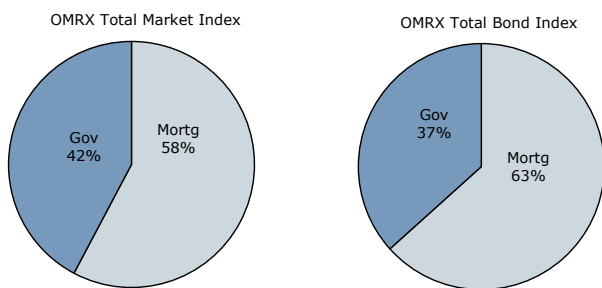
Source: Nordea

Fig 2 – Current duration (est. change on top of bars)



Source: Nordea and Bloomberg

Fig 3 – Expected index composition



Source: Nordea and Bloomberg

Fig 4 – Outstanding amounts (chg over month)

Government bonds			Mortgage bonds		
	Volume	+/-		Volume	+/-
RGKB 1047	85.6	+2.0	SHYP 1579	67.5	--
RGKB 1050	53.2	--	SHYP 1580	66.4	--
RGKB 1051	65.5	--	SHYP 1581	52.0	+1.3
RGKB 1052	86.6	--	SHYP 1582	34.7	--
RGKB 1053	43.8	--	SHYP 1583	33.0	+2.9
RGKB 1054	87.1	+2.0			
RGKB 1056	11.0	--			
RGKB 1057	75.6	+6.0			
RGKB 1058	55.8	+2.0			
RGKB 1059	20.2	--			
Inflation linked bonds			T-bills		
	Volume	+/-		Volume	+/-
RGKB 3102	28.6	-0.4	RGKT 1511	22.5	--
RGKB 3104	39.4	+0.2	RGKT 1512	62.5	+12.5
RGKB 3107	26.0	-0.2	RGKT 1603	27.5	+22.5
RGKB 3108	32.9	+1.6			
RGKB 3109	21.0	+0.5			
RGKB 3110	9.5	--			
RGKB 3111	4.8	--			

Source: Nordea and Bloomberg

Appendix

The expected compositions of the OMRX indices, as well as the approximate amounts to be re-balanced if done today, are shown on the following pages. The shadow portfolios are calculated using modified duration and the assumption of a portfolio value of SEK 10bn.

OMRX Total Market Index

OMRX Total Market Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
RGKB 1047	5.86%	-0.06%	-6	0.27
RGKB 1050	2.90%	-0.10%	-10	0.02
RGKB 1051	3.74%	-0.13%	-13	0.07
RGKB 1052	5.38%	-0.18%	-18	0.17
RGKB 1053	3.19%	-0.11%	-11	0.54
RGKB 1054	5.63%	-0.06%	-6	0.34
RGKB 1056	0.66%	-0.02%	-2	0.09
RGKB 1057	4.37%	0.21%	21	0.33
RGKB 1058	3.48%	0.01%	1	0.30
RGKB 1059	1.09%	-0.04%	-4	0.11
RGKT 1511	1.19%	-0.04%	-4	0.00
RGKT 1512	3.29%	0.57%	57	0.01
RGKT 1603	1.45%	1.18%	118	0.01
SHYP 1579	15.54%	-0.61%	-61	0.26
SHYP 1580	14.81%	-0.58%	-58	0.35
SHYP 1581	11.82%	-0.16%	-16	0.36
SHYP 1582	7.65%	-0.30%	-30	0.29
SHYP 1583	7.93%	0.41%	41	0.34
Duration	New Duration	Change	Weight Mortgage Bonds	New Weight Mortgage Bonds
3.91	3.87	-0.04	58.99%	57.75%

Maturity	Weight	New Weight
0-3	42.63%	42.92%
3-5	33.01%	32.78%
5-7	11.61%	11.49%
7-10	7.64%	7.86%
10+	5.11%	4.95%

Source: Nordea and Bloomberg

OMRX T-Bond Index

OMRX T-Bond Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
RGKB 1047	17.54%	0.02%	2	0.80
RGKB 1051	11.20%	-0.25%	-25	0.20
RGKB 1052	16.10%	-0.36%	-36	0.52
RGKB 1053	9.54%	-0.22%	-22	1.63
RGKB 1054	16.85%	0.01%	1	1.02
RGKB 1056	1.99%	-0.04%	-4	0.28
RGKB 1057	13.09%	0.77%	77	0.99
RGKB 1058	10.43%	0.15%	15	0.90
RGKB 1059	3.27%	-0.07%	-7	0.34
Duration	New Duration	Change		
6.67	6.68	0.01		

Maturity	Weight	New Weight
0-3	11.45%	11.20%
3-5	16.47%	16.10%
5-7	34.35%	34.39%
7-10	22.60%	23.51%
10+	15.13%	14.80%

Source: Nordea and Bloomberg

OMRX Money Market Index

OMRX Money Market Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
RGKB 1050	32.94%	-8.88%	-868	0.25
RGKT 1511	13.42%	-3.55%	-355	0.02
RGKT 1512	37.30%	-0.43%	-43	0.08
RGKT 1603	16.44%	12.66%	1266	0.07
Duration	New Duration	Change		
0.43	0.42	-0.01		

Maturity	Weight	New Weight
0-3	100.00%	100.00%
3-5	0.00%	0.00%
5-7	0.00%	0.00%
7-10	0.00%	0.00%
10+	0.00%	0.00%

Source: Nordea and Bloomberg

OMRX T-bill Index

OMRX T-Bill Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
RGKT 1511	19.99%	-9.03%	-903	0.02
RGKT 1512	55.54%	-8.98%	-898	0.11
RGKT 1603	24.47%	18.01%	1801	0.11
Duration	New Duration	Change		
0.19	0.25	0.05		

Maturity	Weight	New Weight
0-3	100.00%	100.00%
3-5	0.00%	0.00%
5-7	0.00%	0.00%
7-10	0.00%	0.00%
10+	0.00%	0.00%

Source: Nordea and Bloomberg

OMRX Mortgage Bond Index

OMRX Mortgage Bond Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
SHYP 1579	26.92%	-0.47%	-47	0.45
SHYP 1580	25.64%	-0.45%	-45	0.61
SHYP 1581	20.46%	0.16%	16	0.62
SHYP 1582	13.25%	-0.23%	-23	0.50
SHYP 1583	13.73%	0.99%	99	0.59
Duration	New Duration	Change		
2.74	2.77	0.02		

Maturity	Weight	New Weight
0-3	53.47%	52.55%
3-5	46.53%	47.45%
5-7	0.00%	0.00%
7-10	0.00%	0.00%
10+	0.00%	0.00%

Source: Nordea and Bloomberg

OMRX Real Return Index

OMRX Real Return Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
RGKB 3102	21.88%	-0.49%	-49	1.00
RGKB 3104	33.22%	-0.06%	-6	3.69
RGKB 3107	12.30%	-0.21%	-21	0.20
RGKB 3108	15.84%	0.65%	65	1.06
RGKB 3109	10.82%	0.17%	17	1.01
RGKB 3110	4.42%	-0.05%	-5	0.16
RGKB 3111	2.21%	-0.01%	-1	0.36
Duration	New Duration	Change		
7.47	7.49	0.02		

Maturity	Weight	New Weight
0-3	12.52%	12.30%
3-5	4.47%	4.42%
5-7	36.86%	37.02%
7-10	10.65%	10.82%
10+	35.51%	35.43%

Source: Nordea and Bloomberg

OMRX Government Debt Index

OMRX Government Debt Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
RGKB 1047	13.87%	-0.56%	-56	0.63
RGKB 1050	6.86%	-0.45%	-45	0.05
RGKB 1051	8.86%	-0.58%	-58	0.16
RGKB 1052	12.74%	-0.83%	-83	0.41
RGKB 1053	7.55%	-0.49%	-49	1.29
RGKB 1054	13.33%	-0.54%	-54	0.81
RGKB 1056	1.57%	-0.10%	-10	0.22
RGKB 1057	10.35%	0.20%	20	0.78
RGKB 1058	8.25%	-0.22%	-22	0.71
RGKB 1059	2.59%	-0.17%	-17	0.27
RGKT 1511	2.81%	-0.18%	-18	0.00
RGKT 1512	7.80%	1.15%	115	0.02
RGKT 1603	3.43%	2.77%	277	0.02
Duration	New Duration	Change		
5.57	5.37	-0.20		

Maturity	Weight	New Weight
0-3	27.04%	29.75%
3-5	13.57%	12.74%
5-7	28.30%	27.20%
7-10	18.62%	18.60%
10+	12.47%	11.70%

Source: Nordea and Bloomberg

OMRX Total Bond Index

OMRX Total Bond Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
RGKB 1047	6.43%	0.05%	5	0.29
RGKB 1051	4.11%	-0.07%	-7	0.07
RGKB 1052	5.90%	-0.09%	-9	0.19
RGKB 1053	3.50%	-0.06%	-6	0.60
RGKB 1054	6.18%	0.05%	5	0.37
RGKB 1056	0.73%	-0.01%	-1	0.10
RGKB 1057	4.80%	0.31%	31	0.36
RGKB 1058	3.82%	0.08%	8	0.33
RGKB 1059	1.22%	-0.02%	-2	0.12
SHYP 1579	17.05%	-0.36%	-36	0.28
SHYP 1580	16.24%	-0.35%	-35	0.38
SHYP 1581	12.96%	0.06%	6	0.39
SHYP 1582	8.39%	-0.18%	-18	0.32
SHYP 1583	8.70%	0.59%	59	0.37
Duration	New Duration	Change	Weight Mortgage Bonds	New Weight Mortgage Bonds
4.18	4.20	0.02	63.59%	63.34%

Maturity	Weight	New Weight
0-3	38.17%	37.39%
3-5	35.58%	35.96%
5-7	12.51%	12.61%
7-10	8.23%	8.62%
10+	5.51%	5.42%

Source: Nordea and Bloomberg

OMRX Mortgage Bond All Index

OMRX Mortgage Bond All Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
LFHY 507	1.48%	-0.04%	-4	0.02
LFHY 511	1.62%	-0.04%	-4	0.04
LFHY 512	1.47%	0.03%	3	0.05
LFHY 513	1.38%	0.04%	4	0.06
LFHY 514	0.47%	0.00%	0	0.03
NBHO 5521	3.53%	-0.02%	-2	0.15
NBHO 5528	3.20%	-0.09%	-9	0.05
NBHO 5529	6.05%	-0.09%	-9	0.16
NBHO 5530	2.99%	-0.07%	-7	0.11
NBHO 5531	1.32%	0.02%	2	0.08
SCBC 133	1.50%	-0.07%	-7	0.03
SCBC 134	1.62%	-0.04%	-4	0.04
SCBC 139	1.39%	0.03%	3	0.04
SCBC 140	1.57%	-0.04%	-4	0.06
SCBC 141	1.47%	0.04%	4	0.07
SCBC 142	0.40%	0.04%	4	0.02
SEBB 570	3.53%	-0.10%	-10	0.06
SEBB 571	4.60%	-0.13%	-13	0.12
SEBB 572	4.47%	-0.12%	-12	0.16
SEBB 573	2.50%	0.45%	45	0.11
SHYP 1579	6.97%	-0.19%	-19	0.11
SHYP 1580	6.55%	-0.18%	-18	0.16
SHYP 1581	5.22%	-0.01%	-1	0.16
SHYP 1582	3.38%	-0.09%	-9	0.13
SHYP 1583	3.51%	0.22%	22	0.15
SPIO 180	3.89%	0.61%	61	0.16
SPIO 185	5.79%	-0.16%	-16	0.08
SPIO 186	6.37%	-0.18%	-18	0.13
SPIO 187	8.03%	-0.22%	-22	0.23
SPIO 188	3.91%	0.43%	43	0.14
Duration	New Duration	Change		
2.88	2.91	0.03		

Maturity	Weight	New Weight
0-3	58.74%	57.21%
3-5	39.13%	40.61%
5-7	2.13%	2.18%
7-10	0.00%	0.00%
10+	0.00%	0.00%

Source: Nordea and Bloomberg

OMRX Bond All Index

OMRX Bond All Index	Weight	Weight change	Buy/Sell Amount (M)	Weighted Duration
LFHY 507	0.94%	-0.02%	-2	0.02
LFHY 511	1.03%	-0.03%	-3	0.03
LFHY 512	0.94%	0.02%	2	0.03
LFHY 513	0.88%	0.03%	3	0.04
LFHY 514	0.30%	0.00%	0	0.02
NBHO 5521	2.24%	-0.01%	-1	0.10
NBHO 5528	2.02%	-0.05%	-5	0.03
NBHO 5529	3.84%	-0.05%	-5	0.10
NBHO 5530	1.90%	-0.04%	-4	0.07
NBHO 5531	0.84%	0.01%	1	0.05
RGKB 1047	6.41%	-0.01%	-1	0.29
RGKB 1051	4.09%	-0.11%	-11	0.07
RGKB 1052	5.89%	-0.15%	-15	0.19
RGKB 1053	3.49%	-0.09%	-9	0.59
RGKB 1054	6.16%	-0.01%	-1	0.37
RGKB 1056	0.73%	-0.02%	-2	0.10
RGKB 1057	4.78%	0.27%	27	0.36
RGKB 1058	3.81%	0.04%	4	0.33
RGKB 1059	1.20%	-0.03%	-3	0.12
SCBC 133	0.95%	-0.04%	-4	0.02
SCBC 134	1.03%	-0.03%	-3	0.02
SCBC 139	0.83%	0.02%	2	0.02
SCBC 140	1.00%	-0.03%	-3	0.04
SCBC 141	0.93%	0.03%	3	0.04
SCBC 142	0.25%	0.02%	2	0.01
SEBB 570	2.24%	-0.06%	-6	0.04
SEBB 571	2.92%	-0.08%	-8	0.08
SEBB 572	2.94%	-0.07%	-7	0.10
SEBB 573	1.59%	0.29%	29	0.07
SHYP 1579	4.36%	-0.11%	-11	0.07
SHYP 1580	4.15%	-0.11%	-11	0.10
SHYP 1581	3.31%	0.00%	0	0.10
SHYP 1582	2.15%	-0.06%	-6	0.08
SHYP 1583	2.22%	0.14%	14	0.10
SPIO 180	2.47%	0.39%	39	0.10
SPIO 185	3.67%	-0.09%	-9	0.05
SPIO 186	4.04%	-0.10%	-10	0.08
SPIO 187	5.09%	-0.13%	-13	0.14
SPIO 188	2.48%	0.28%	28	0.09
Duration	New Duration	Change		
4.27	4.29	0.02		

Maturity	Weight	New Weight
0-3	41.40%	40.39%
3-5	30.82%	31.65%
5-7	13.95%	13.96%
7-10	8.29%	8.60%
10+	5.55%	5.41%

Source: Nordea and Bloomberg

Nordea Markets is the name of the Markets departments of Nordea Bank Norge ASA, Nordea Bank AB (publ), Nordea Bank Finland Plc and Nordea Bank Danmark A/S. The information provided herein is intended for background information only and for the sole use of the intended recipient. The views and other information provided herein are the current views of Nordea Markets as of the date of this document and are subject to change without notice. This notice is not an exhaustive description of the described product or the risks related to it, and it should not be relied on as such, nor is it a substitute for the judgement of the recipient.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision. It is important to note that past performance is not indicative of future results. Nordea Markets is not and does not purport to be an adviser as to legal, taxation, accounting or regulatory matters in any jurisdiction. This document may not be reproduced, distributed or published for any purpose without the prior written consent from Nordea Markets.