

Report date: 01 December 2023

Fund: BISO Invest Fund
Inception: 2017
AUM: 530,962 NOK
Benchmark: Oslo Børs Index

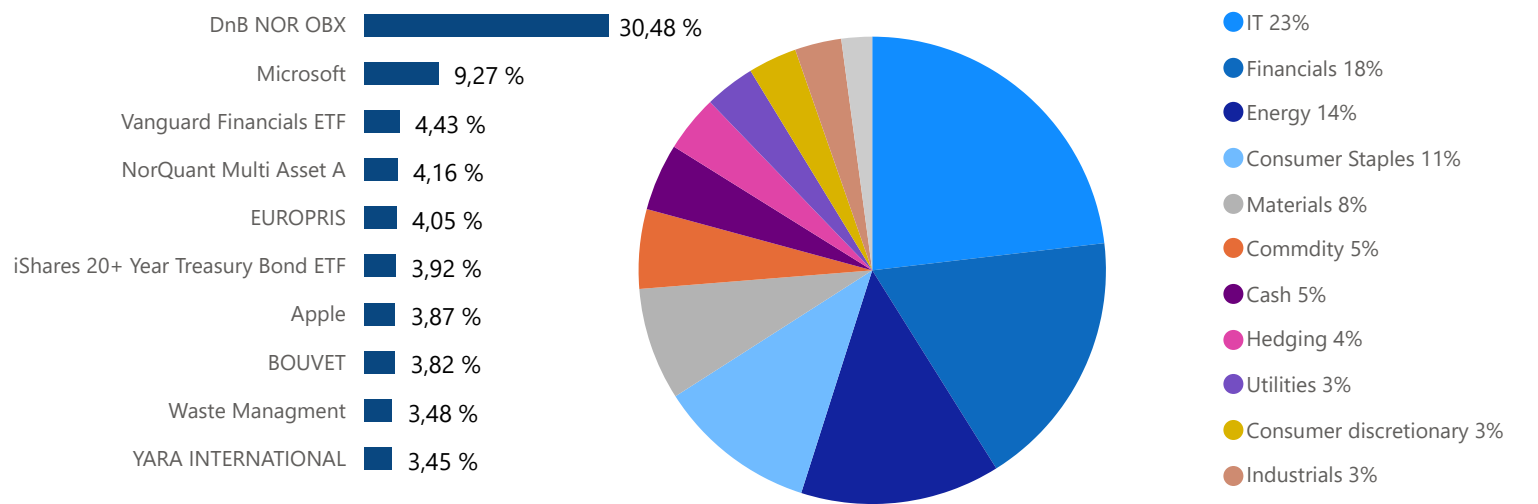
Category: Balanced fund
Domicile: Norway
Dealing days: All Norwegian business days

BISO Invest's mission is to safeguard and build financial wealth for BI Norwegian Business School's Student Organization while providing a platform for students to learn from and connect with businesses and other students with similar interest in investment

Investment criteria:

- Equity and exchange-traded-funds (ETFs)
- Long term financial strength and earnings capacity
- High shareholder value creation
- Moderate risk tolerance
- Accomplished management and active owners
- Sector exposure varies over time

Top ten holdings, sector allocation and geographical distribution



Key figures since Oct. 2023

	Fund	Index
Monthly return	4.11 %	1.67%
Best month	4.11%	1.67%
Weakest month	1.12%	-0.77%
Postive month	2	1
Negative month	0	1

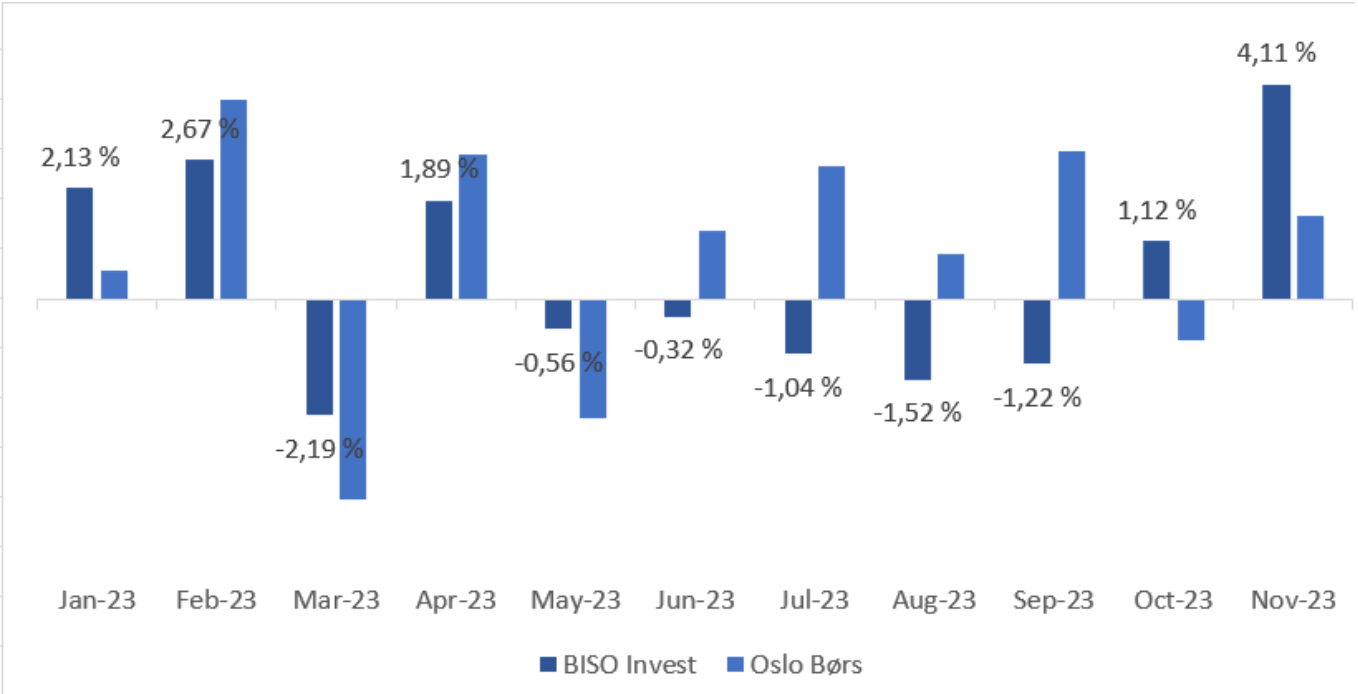
Risk figures

	Fund	Index
STD (Ann)	6.08%	15.93%
Tracking error (Ann)	n.a	n.a
Information ratio	n.a	n.a
Sharpe ratio (monthly)	2.13	
VaR 95% (Ann)	19.08%	

Performance by periods

	Fund	Index
Last month	1.12%	-0.77%
Year to date	4.73%	8.51%
Last 12 months	3.38%	6.63%

Monthly Return



Monthly Commentary - November 2023

By: Shenye Liu & Eirik Dalen Nyrén

In November, we conducted our pitch evening event this semester in the BISO Invest society, where each of our research teams presented their comprehensive analyses and recommendations on the company pitches. Following these presentations, we strategically opted to allocate new investments in Aker BP, Waste Management, and Selvaag Bolig.

U.S. inflation broadly slowed in October, which markets cheered as a strong indication that the Federal Reserve is done hiking interest rates. The soft core CPI will boost Fed's confidence that rates are sufficiently restrictive. The U.S. indexes went up and Treasury yields declined significantly. Riding on this optimism, the yield on the 10-year US Treasury dropped by approximately 30 basis points. Investors are now shifting towards riskier assets, propelling the S&P 500 to be within 5% of its all-time high. Nordnet and Blackrock both saw significant upticks in their share prices, with Blackrock experiencing a notable 15% increase.

The energy prices contributed a drag of 0.2% to the inflation, primarily due to the drop in the gasoline prices. Instead, tech giants benefited from the improving market conditions, Microsoft and Apple rising by 14% and 12.22% respectively. We believe there is still upside potential on the cloud and AI technology over the next years. The MSFT's cloud computing business, Azure, reported a faster growth than the competitors. The chaos of OpenAI's recent boardroom has been settled where the team was back in place, with Microsoft closer to the startup than before. Apple hasn't been the most prominent name when it comes to the AI trend but it remains as a top tech pick with the solid fundamentals on the products. However, in adherence to our investment policy of maintaining a maximum of 10% share allocation per individual stock in our portfolio, we strategically divested a portion of our holdings in Microsoft.

ASML went up by 15.36% this month, mainly attributed to that Federal Reserve is nearing an end to its rate-hike campaign after the central bank held rates unchanged in early November as well as the intense rivalry between U.S. and China over the semiconductor technology. The broader considerations of national security is driving U.S. and European investments in semiconductor manufacturing. In turn, China is reacting to limits on its imports of technology by investing in its own chip foundries. Also, the transition of DRAM to EUV technology is expected to boost demand for ASML's equipment. We maintain a positive outlook on ASML for the upcoming years.

Europris delivered an outstanding monthly performance with +14.01%. The company reported a strong Q3 result with total sales of NOK 2,152 million (+5%), driven by attractive campaigns and a relevant product range at low prices. The customers are paying greater attention to prices in the current economic conditions and this is expected to continue. As people adapt to an overall higher cost of living, Europris' low-price, campaign driven retail concept is highly relevant and the footfall to the stores is expected to remain strong. The company is with strong financial position, with cash and liquidity reserves of NOK 1,363 million (NOK 963 mil), resulted from the improved inventory development. We believe that Europris will continue to be an attractive shopping destination and is well set for the time to come with a healthy inventory and a solid financial position. Hence, we rated Europris as a Hold.

On November 15th, Arise AB released its Q3 report, revealing a decline in revenues compared to the same quarter in 2022. When analysing their development segment, adjustments were made to account for the sale of the Kolvallen project in Q3 2022, along with the incorporation of revenue recognition from the earnout of Skaftåsen in the current quarter. In the production segment, a significant portion of the revenue increase was attributed to the hedging of electricity prices. Meanwhile, the solution segment demonstrated positive development. Additionally, Arise initiated a share repurchase program with the aim of buying back shares worth up to 100 million SEK. This quarter, SEB and SHB commenced coverage of Arise, offering buy recommendations based on the perception that Arise is undervalued compared to the current market prices. The share repurchase program combined with the SEB and SHB coverage led to the 31% increase in share price.