

CURRENCYSHARES SWEDISH KRONA TRUST

Form 10-K/A

March 10, 2011

[Table of Contents](#)

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington D.C. 20549

**FORM 10-K/A**  
**Amendment No. 1**

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)

**OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended October 31, 2010

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)

**OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-32908

**CurrencyShares<sup>®</sup> Swedish Krona Trust**

**Sponsored by Rydex Specialized Products LLC,  
d/b/a Rydex Investments**

(Exact name of registrant as specified in its charter)

**New York**  
(State or other jurisdiction of  
incorporation or organization)

**No. 56-6666926**  
(IRS Employer  
Identification No.)

**805 King Farm Boulevard, Suite 600**

**Rockville, Maryland**                      **20850**  
(Address of principal executive offices)    (Zip Code)  
**(301) 296-5100**

(Registrant's telephone number, including area code)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.    Yes     No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.    Yes     No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.    Yes     No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).    Yes     No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.   

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):    Large accelerated filer     Accelerated filer     Non-accelerated filer     Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).    Yes     No

Aggregate market value of 250,000 shares of registrant's common stock held by non-affiliates of the registrant, based upon the closing price of a share of the registrant's common stock on April 30, 2010 as reported by NYSE Arca on that date: \$34,330,000.



**Table of Contents**

**EXPLANATORY NOTE**

This Amendment No. 1 on Form 10-K/A to the Annual Report on Form 10-K for the year ended October 31, 2010 of CurrencyShares® Swedish Krona Trust, which Form 10-K was originally filed with the Securities and Exchange Commission on January 14, 2011, is being filed for the purpose of amending Item 15 in order to (i) include the report of our prior independent registered public accounting firm, (ii) amend the Exhibit Index and (iii) file certain exhibits as indicated in the Exhibit Index. Other than providing updates to the cover page, amending Item 15 and filing updated exhibits and certifications, no other changes have been made to the original Form 10-K. This Amendment No. 1 does not reflect any subsequent events occurring after the filing of the original Form 10-K or modify or update in any way disclosures made in the original filing.

**Table of Contents****PART IV****Item 15. Exhibits And Financial Statement Schedules  
Financial Statements**

See Index to Financial Statements on Page F-1 for a list of the financial statements being filed as a part of this report. Schedules have been omitted since they are either not required, not applicable or the information has otherwise been included.

**Exhibits**

<b>Exhibit No.</b>	<b>Description</b>
3.1	Certificate of Formation of Rydex Specialized Products LLC, incorporated herein by reference to Exhibit 3.1 filed with Amendment No. 1 to Form S-1 Registration Statement (File number 333-132366) filed on June 9, 2006.
3.2	Limited Liability Company Agreement of Rydex Specialized Products, LLC, incorporated herein by reference to Exhibit 3.2 filed with Amendment No. 1 to Form S-1 Registration Statement (File number 333-132366) filed on June 9, 2006.
4.1	Depository Trust Agreement dated as of June 8, 2006 among Rydex Specialized Products LLC, The Bank of New York, all registered owners and beneficial owners of Swedish Krona Shares issued thereunder and all depositors.
4.2	Amendment to Depository Trust Agreement dated as of November 13, 2008 between Rydex Specialized Products LLC and The Bank of New York Mellon, incorporated herein by reference to Exhibit 4.1 filed with Form 10-Q on September 9, 2010.
4.3	Participant Agreement dated as of March 25, 2010 among Knight Clearing Services, LLC, The Bank of New York, and Rydex Specialized Products LLC (together with Schedule pursuant to Instruction 2 to Item 601 of Regulation S-K).
4.4	Amendment to Participant Agreements dated as of December 9, 2010 between The Bank of New York Mellon, the trusts set forth on Schedule A thereto and Rydex Specialized Products LLC.
4.5	Amendment to Participant Agreements dated as of January 15, 2011 between The Bank of New York, the trusts set forth on Schedule A thereto and Rydex Specialized Products LLC.
10.1	Deposit Account Agreement dated as of June 8, 2006 between The Bank of New York and the London Branch of JPMorgan Chase Bank, N.A.
10.2	Amendment to Deposit Account Agreement dated as of November 13, 2008 between The Bank of New York Mellon and the London Branch of JPMorgan Chase Bank, N.A., incorporated herein by reference to Exhibit 10.1 filed with Form 10-Q on September 9, 2010.
10.3	Sublicense Agreement dated as of June 9, 2006 between PADCO Advisors II, Inc. and Rydex Specialized Products LLC.
31.1	Certification by Principal Executive Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.

**Table of Contents**

- 31.2 Certification by Principal Financial Officer pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification by Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification by Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

**Table of Contents**

**CurrencyShares® Swedish Krona Trust**

**Financial Statements as of October 31, 2010**

**Index**

	<b>Page</b>
<u>Independent Registered Public Accounting Firm Reports</u>	F-2
<u>Statements of Financial Condition at October 31, 2010 and October 31, 2009</u>	F-4
<u>Statements of Income and Comprehensive Income for the year ended October 31, 2010, the year ended October 31, 2009 and the year ended October 31, 2008</u>	F-5
<u>Statements of Changes in Shareholders' Equity for the year ended October 31, 2010, the year ended October 31, 2009, and the year ended October 31, 2008</u>	F-6
<u>Statements of Cash Flows for the year ended October 31, 2010, the year ended October 31, 2009 and the year ended October 31, 2008</u>	F-7
<u>Notes to the Financial Statements</u>	F-8

**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

To the Shareholders of CurrencyShares® Swedish Krona Trust:

In our opinion, the balance sheet as of October 31, 2009 and the related statements of income and comprehensive income, of changes in shareholders' equity and of cash flows for each of two years in the period ended October 31, 2009 present fairly, in all material respects, the financial position of CurrencyShares® Swedish Krona Trust (the Trust) at October 31, 2009, and the results of its operations and its cash flows for each of the two years in the period ended October 31, 2009, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Baltimore, Maryland

January 14, 2010

F-2



**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

To the Shareholders of CurrencyShares® Swedish Krona Trust:

We have audited the accompanying statement of financial condition of CurrencyShares® Swedish Krona Trust (the Trust ) at October 31, 2010 and the related statements of income and comprehensive income, changes in shareholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CurrencyShares® Swedish Krona Trust at October 31, 2010 and the and the results of its operations and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of CurrencyShares® Swedish Krona Trust's internal control over financial reporting as of October 31, 2010, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated January 14, 2011 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

McLean, VA

January 14, 2011

**Table of Contents****CurrencyShares® Swedish Krona Trust****Statements of Financial Condition**

	October 31, 2010	October 31, 2009
<b><u>Assets</u></b>		
Current Assets:		
Swedish Krona deposits, interest bearing	\$ 59,357,089	\$ 49,548,513
Swedish Krona deposits, non-interest bearing		
Receivable from accrued interest	34,497	
Total Current Assets	\$ 59,391,586	\$ 49,548,513
<b><u>Liabilities, Redeemable Capital Shares and Shareholders' Equity</u></b>		
Current Liabilities:		
Accrued Sponsor's fee	\$ 20,167	\$ 15,124
Total Current Liabilities	20,167	15,124
<b>Commitments and Contingent Liabilities (note 9)</b>		
Redeemable Capital Shares, at redemption value, no par value, 7,500,000 authorized 400,000 and 350,000 issued and outstanding, respectively	59,371,419	49,533,389
<b>Shareholders' Equity:</b>		
Retained Earnings		
Cumulative Translation Adjustment		
Total Liabilities, Redeemable Capital Shares and Shareholders' Equity	\$ 59,391,586	\$ 49,548,513

*See Notes to Financial Statements.*

**Table of Contents****CurrencyShares® Swedish Krona Trust****Statements of Income and Comprehensive Income**

	Year ended October 31, 2010	Year ended October 31, 2009	Year ended October 31, 2008
<b><u>Income</u></b>			
Interest Income	\$ 48,271	\$ 244,205	\$ 2,437,500
Total Income	48,271	244,205	2,437,500
<b><u>Expenses</u></b>			
Sponsor's fee	(163,175)	(142,358)	(251,340)
Total Expenses	(163,175)	(142,358)	(251,340)
Net (Loss)/Income	\$ (114,904)	\$ 101,847	\$ 2,186,160
Other Comprehensive Income/(Loss):			
Currency translation adjustment	174	(5,682)	(74,207)
Total Comprehensive (Loss)/Income	\$ (114,730)	\$ 96,165	\$ 2,111,953
Basic and Diluted Earnings per share	\$ (0.39)	\$ 0.37	\$ 5.54
Weighted-average Shares Outstanding	295,068	278,630	394,536
Cash Dividends per Share	\$ 1.12	\$ 5.28	

*See Notes to Financial Statements.*

**Table of Contents****CurrencyShares® Swedish Krona Trust****Statements of Changes in Shareholders' Equity**

	Year ended October 31, 2010	Year ended October 31, 2009	Year ended October 31, 2008
Retained Earnings, Beginning of Year	\$	\$	\$
Net (Loss)/Income	(114,904)	101,847	2,186,160
Distributions Paid		(324,034)	(2,088,088)
Adjustment of redeemable capital shares to redemption value	114,904	222,187	(98,072)
Retained Earnings, End of Year	\$	\$	\$
Cumulative Translation Adjustment, Beginning of Year	\$	\$	\$
Currency translation adjustment	174	(5,682)	(74,207)
Adjustment of redeemable capital shares to redemption value	(174)	5,682	74,207
Cumulative Translation Adjustment, End of Year	\$	\$	\$

*See Notes to Financial Statements.*

**Table of Contents****CurrencyShares® Swedish Krona Trust****Statements of Cash Flows**

	Year ended October 31, 2010	Year ended October 31, 2009	Year ended October 31, 2008
<b>Cash flows from operating activities</b>			
Cash received for accrued income	\$ 14,931	\$ 417,631	\$ 2,347,905
Cash paid for expenses	(158,589)	(144,046)	(244,250)
Net cash (used in)/provided by operating activities	(143,658)	273,585	2,103,655
<b>Cash flows from financing activities</b>			
Cash received to purchase redeemable shares	20,617,773	12,780,972	63,276,768
Cash paid to redeem redeemable shares	(13,772,594)	(12,799,233)	(47,492,049)
Cash paid for distributions		(324,034)	(2,088,088)
Net cash provided by/ (used in) financing activities	6,845,179	(342,295)	13,696,631
Adjustment to period cash flows due to currency movement	3,107,055	4,639,326	(10,125,621)
Increase in cash	9,808,576	4,570,616	5,674,665
Cash at beginning of year	49,548,513	44,977,897	39,303,232
Cash at end of year	\$ 59,357,089	\$ 49,548,513	\$ 44,977,897
<b>Reconciliation of net income to net cash provided by operating activities</b>			
Net (loss)/income	\$ (114,904)	\$ 101,847	\$ 2,186,160
Adjustments to reconcile net (loss)/income to net cash (used in)/provided by operating activities:			
Receivable from accrued interest	(34,497)		(164,869)
Prior period receivable from accrued interest		164,869	114,667
Currency translation adjustment	700	7,997	(35,184)
Accrued sponsor fee	20,167	15,124	16,252
Prior period accrued sponsor fee	(15,124)	(16,252)	(13,371)
Net cash (used in)/provided by operating activities	\$ (143,658)	\$ 273,585	\$ 2,103,655

*See Notes to Financial Statements.*

---

**Table of Contents**

**CurrencyShares® Swedish Krona Trust**

**Notes to Financial Statements**

**1. Organization and Description of the Trust**

The CurrencyShares® Swedish Krona Trust (the Trust) was formed under the laws of the State of New York on June 8, 2006 when Rydex Specialized Products LLC d/b/a Rydex Investments (the Sponsor) deposited 1,000 Swedish Kronor in the Trust's primary deposit account held by JPMorgan Chase Bank, N.A., London Branch (the Depository). The Sponsor is a Delaware limited liability company whose sole member is Rydex Advisors II, LLC (also d/b/a Rydex Investments). The Sponsor is responsible for, among other things, overseeing the performance of The Bank of New York Mellon (the Trustee) and the Trust's principal service providers, including the preparation of financial statements. The Trustee is responsible for the day-to-day administration of the Trust.

The investment objective of the Trust is for the Trust's shares (the Shares) to reflect the price of the Swedish Krona plus accrued interest less the Trust's expenses and liabilities. The Shares are intended to provide investors with a simple, cost-effective means of gaining investment benefits similar to those of holding Swedish Kronor. The Trust's assets primarily consist of Swedish Kronor on demand deposit in two deposit accounts maintained by the Depository: a primary deposit account which may earn interest and a secondary deposit account which does not earn interest. The secondary deposit account is used to account for any interest that may be received and paid out on creations and redemptions of blocks of 50,000 Shares (Baskets). The secondary account is also used to account for interest earned, if any, on the primary deposit account, pay Trust expenses and distribute any excess interest to holders of Shares (Shareholders) on a monthly basis.

The accompanying audited financial statements were prepared in accordance with accounting principles generally accepted in the United States of America.

**2. Significant Accounting Policies**

**A. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of the assets, liabilities and disclosures of contingent liabilities at the date of the financial statements, the reported amounts of revenue and expenses during the period and the evaluation of subsequent events through the issuance date of the financial statements. Actual results could differ from those estimates.

**B. Foreign Currency Translation**

The Trustee calculates the Trust's net asset value (NAV) each business day, as described in Note 4. Prior to November 13, 2008, Swedish Krona deposits (cash) were translated for NAV calculation purposes at the Noon Buying Rate, which was the U.S. Dollar (USD)/Swedish Krona exchange rate as determined and published by the Federal Reserve Bank of New York. As of November 13, 2008, Swedish Krona deposits (cash) are translated for NAV calculation purposes at the Closing Spot Rate, which is the USD/Swedish Krona exchange rate as determined by WM/Reuters at 4:00 PM (London time) on each day that NYSE Arca is open for regular trading.

The functional currency of the Trust is the Swedish Krona in accordance with generally accepted accounting standards. For financial statement reporting purposes, the U.S. Dollar is the reporting currency. As a result, the financial records of the Trust are translated from Swedish Kronor to USD. The Closing Spot Rate on the last day of the period is used for translation in the statements of financial condition. The average Closing Spot Rate for the period is used for translation in the statement of income and comprehensive income and the statement of cash flows. Any currency translation adjustment is included in comprehensive income.

**C. Federal Income Taxes**

## Edgar Filing: CURRENCYSHARES SWEDISH KRONA TRUST - Form 10-K/A

The Trust is treated as a grantor trust for federal income tax purposes and, therefore, no provision for federal income taxes is required. Interest, gains and losses are passed through to the Shareholders.

Shareholders generally will be treated, for U.S. federal income tax purposes, as if they directly owned a pro-rata share of the assets held in the Trust. Shareholders also will be treated as if they directly received their respective

F-8

## **Table of Contents**

pro-rata portion of the Trust's income, if any, and as if they directly incurred their respective pro-rata portion of the Trust's expenses. The acquisition of Shares by a U.S. Shareholder as part of a creation of a Basket will not be a taxable event to the Shareholder.

The Sponsor's fee accrues daily and is payable monthly. For U.S. federal income tax purposes, an accrual-basis U.S. Shareholder generally will be required to take into account as an expense its allocable portion of the USD-equivalent of the amount of the Sponsor's fee that is accrued on each day, with such USD-equivalent being determined by the currency exchange rate that is in effect on the respective day. To the extent that the currency exchange rate on the date of payment of the accrued amount of the Sponsor's fee differs from the currency exchange rate in effect on the day of accrual, the U.S. Shareholder will recognize a currency gain or loss for U.S. federal income tax purposes.

The Trust does not expect to generate taxable income except for interest income (if any) and gain (if any) upon the sale of Swedish Kronor. A non-U.S. Shareholder generally will not be subject to U.S. federal income tax with respect to gain recognized upon the sale or other disposition of Shares, or upon the sale of Swedish Kronor by the Trust, unless: (1) the non-U.S. Shareholder is an individual and is present in the United States for 183 days or more during the taxable year of the sale or other disposition, and the gain is treated as being from United States sources; or (2) the gain is effectively connected with the conduct by the non-U.S. Shareholder of a trade or business in the United States.

A non-U.S. Shareholder's portion of any interest income earned by the Trust generally will not be subject to U.S. federal income tax unless the Shares owned by such non-U.S. Shareholder are effectively connected with the conduct by the non-U.S. Shareholder of a trade or business in the United States.

### **D. Revenue Recognition**

Interest on the primary deposit account, if any, accrues daily as earned and is received on a monthly basis.

### **E. Dividends**

To the extent that the interest earned by the Trust exceeds the sum of the Sponsor's fee for the prior month plus other Trust expenses, if any, the Trust will distribute, as a dividend (herein referred to as dividends or distributions), the excess interest earned in Swedish Kronor effective on the first business day of the subsequent month. The Trustee will direct that the excess Swedish Kronor be converted into USD at a prevailing market rate and the Trustee will distribute the USD as promptly as practicable to Shareholders on a pro-rata basis (in accordance with the number of Shares that they own). An income distribution of \$0.03595 per share with an ex-dividend date of November 1, 2010 was paid on November 8, 2010.

## **3. Swedish Krona Deposits**

Swedish Krona principal deposits are held in a Swedish Krona-denominated, interest-bearing demand account. For the year ended ended October 31, 2010, there were Swedish Krona principal deposits of 149,239,686, Swedish Krona principal redemptions of 99,691,545 and Swedish Krona withdrawals (to pay expenses) of 1,039,854, resulting in an ending Swedish Krona principal balance of 397,971,473. This equates to 59,357,089 USD. For the year ended October 31, 2009, there were Swedish Krona principal deposits of 99,853,897, Swedish Krona principal redemptions of 100,000,000 and Swedish Krona withdrawals (to pay expenses) of 390,711, resulting in an ending Swedish Krona principal balance of 349,463,186. This equates to 49,548,513 USD. For the year ended October 31, 2008, there were Swedish Krona principal deposits of 400,000,000 and Swedish Krona principal redemptions of 300,000,000 resulting in and ending Swedish Krona principal balance of 350,000,000. This equates to 44,977,897 USD.

Net interest associated with creation and redemption activity is held in a Swedish Krona-denominated non-interest-bearing account, and any balance is distributed in full as part of the monthly income distributions.

## **4. Redeemable Capital Shares**

Shares are classified as redeemable for financial statement purposes, since they are subject to redemption. Shares are issued and redeemed continuously in Baskets in exchange for Swedish Kronor. Individual investors cannot purchase or redeem Shares in direct transactions with the Trust. Only Authorized Participants (as defined below) may place orders to create and redeem Baskets. An Authorized Participant is a



Depository Trust Company ( DTC )

F-9

**Table of Contents**

participant that is a registered broker-dealer or other institution eligible to settle securities transactions through the book-entry facilities of DTC and which has entered into a contractual arrangement with the Trust and the Sponsor governing, among other matters, the creation and redemption process. Authorized Participants may redeem their Shares at any time in Baskets.

Due to expected continuing creations and redemptions of Baskets and the three-day period for settlement of each creation or redemption, the Trust reflects Shares created as a receivable. Shares redeemed are reflected as a liability on the trade date. Outstanding Shares are reflected at a redemption value, which is the NAV per Share at the period end date. Adjustments to redeemable capital shares at redemption value are recorded against retained earnings, or, in the absence of retained earnings, by charges against the cumulative translation adjustment.

Activity in redeemable capital Shares is as follows:

	Year ended October 31, 2010		Year ended October 31, 2009		Year ended October 31, 2008	
	Shares	U.S. Dollar Amount	Shares	U.S. Dollar Amount	Shares	U.S. Dollar Amount
Opening balance	350,000	\$ 49,533,389	350,000	\$ 45,126,514	250,000	\$ 39,404,528
Shares issued	150,000	20,617,773	100,000	12,780,972	400,000	63,276,768
Shares redeemed	(100,000)	(13,772,594)	(100,000)	(12,799,233)	(300,000)	(47,492,049)
Adjustment to period Shares due to currency movement and other		2,992,851		4,425,136		(10,062,733)
Ending balance	400,000	\$ 59,371,419	350,000	\$ 49,533,389	350,000	\$ 45,126,514

The Trustee calculates the Trust's NAV each business day. To calculate the NAV, the Trustee subtracts the Sponsor's accrued fee through the previous day from the Swedish Kronor held by the Trust (including all unpaid interest accrued through the preceding day) and calculates the value of the Swedish Kronor in USD based upon the Closing Spot Rate. If, on a particular evaluation day, the Closing Spot Rate has not been determined and announced by 6:00 PM (London time), then the most recent Closing Spot Rate will be used to determine the NAV of the Trust unless the Trustee, in consultation with the Sponsor, determines that such price is inappropriate to use as the basis for the valuation. If the Trustee and the Sponsor determine that the most recent Closing Spot Rate is not an appropriate basis for valuation of the Trust's Swedish Kronor, they will determine an alternative basis for the valuation. The Trustee also determines the NAV per Share, which equals the NAV of the Trust divided by the number of outstanding Shares. Shares deliverable under a purchase order are considered outstanding for purposes of determining NAV per Share; Shares deliverable under a redemption order are not considered outstanding for this purpose.

**Table of Contents****5. Selected Quarterly Information (Unaudited)**

Fiscal Period Ended October 31, 2010:

	Three months ended October 31, 2010	Three months ended July 31, 2010	Three months ended April 30, 2010	Three months ended January 31, 2010
<b>Income</b>				
Interest income	\$ 47,075	\$ 1,196	\$	\$
Total Income	47,075	1,196		
<b>Expenses</b>				
Sponsor's fee	(43,681)	(32,788)	(40,077)	(46,629)
Total Expenses	(43,681)	(32,788)	(40,077)	(46,629)
Net Income (Loss)	\$ 3,394	\$ (31,592)	\$ (40,077)	\$ (46,629)
Other Comprehensive Income/(Loss):				
Currency translation adjustment	157	(1,856)	221	1,652
Total Comprehensive Income/(Loss)	\$ 3,551	\$ (33,448)	\$ (39,856)	\$ (44,977)
Basic and Diluted Earnings per Share	\$ 0.01	\$ (0.13)	\$ (0.14)	\$ (0.14)
Weighted-average Shares Outstanding	307,065	250,000	295,506	327,717
Cash Dividends per Share	\$	\$	\$	\$

Fiscal Period Ended October 31, 2009:

	Three months ended October 31, 2009	Three months ended July 31, 2009	Three months ended April 30, 2009	Three months ended January 31, 2009
<b>Income</b>				
Interest income	\$	\$ 5,691	\$ 41,598	\$ 196,916
Total Income		5,691	41,598	196,916
<b>Expenses</b>				
Sponsor's fee	(41,130)	(32,553)	(28,869)	(39,806)
Total Expenses	(41,130)	(32,533)	(28,869)	(39,806)
Net (Loss)/Income	\$ (41,130)	\$ (26,862)	\$ 12,729	\$ 157,110
Other Comprehensive Income/(Loss):				
Currency translation adjustment	87	(1,677)	621	(4,713)
Total Comprehensive (Loss)/Income	\$ (41,043)	\$ (28,539)	\$ 13,350	\$ 152,397
Basic and Diluted Earnings per Share	\$ (0.14)	\$ (0.11)	\$ 0.05	\$ 0.48
Weighted-average Shares Outstanding	288,587	250,000	250,000	325,000
Cash Dividends per Share	\$	\$ 0.01	\$ 0.11	\$ 0.87



## **Table of Contents**

### **6. Sponsor's Fee**

The Sponsor's fee accrues daily at an annual nominal rate of 0.40% of the Swedish Kronor in the Trust (including all unpaid interest but excluding unpaid fees, each as accrued through the immediately preceding day) and is paid monthly.

The Sponsor assumes and pays the following administrative and marketing expenses incurred by the Trust: the Trustee's monthly fee, NYSE Arca listing fees, SEC registration fees, typical maintenance and transaction fees of the Depository, printing and mailing costs, audit fees and expenses, up to \$100,000 per year in legal fees and expenses, and applicable license fees.

In certain exceptional cases the Trust will pay for some expenses in addition to the Sponsor's fee. These exceptions include expenses not assumed by the Sponsor (i.e., expenses other than those identified in the preceding paragraph), taxes and governmental charges, expenses and costs of any extraordinary services performed by the Trustee or the Sponsor on behalf of the Trust or action taken by the Trustee or the Sponsor to protect the Trust or the interests of Shareholders, indemnification of the Sponsor under the Depository Trust Agreement, and legal expenses in excess of \$100,000 per year.

### **7. Related Parties**

The Sponsor is a related party of the Trust. The Sponsor oversees the performance of the Trustee and the Trust's principal service providers, including the preparation of financial statements, but does not exercise day-to-day oversight over the Trustee or the Trust's service providers.

### **8. Concentration Risk**

All of the Trust's assets are Swedish Kronor, which creates a concentration risk associated with fluctuations in the price of the Swedish Krona. Accordingly, a decline in the Swedish Krona to USD exchange rate will have an adverse effect on the value of the Shares. Factors that may have the effect of causing a decline in the price of the Swedish Krona include national debt levels and trade deficits, domestic and foreign inflation rates, domestic and foreign interest rates, investment and trading activities of institutions and global or regional political, economic or financial events and situations. Substantial sales of Swedish Kronor by the official sector (central banks, other governmental agencies and related institutions that buy, sell and hold Swedish Kronor as part of their reserve assets) could adversely affect an investment in the Shares.

All of the Trust's Swedish Kronor are held by the Depository. Accordingly, a risk associated with the concentration of the Trust's assets in accounts held by a single financial institution exists and increases the potential for loss by the Trust and the Shareholders in the event that the Depository becomes insolvent.

### **9. Commitments and Contingencies**

Under the Trust's organizational documents, the Sponsor is indemnified against any liability or expense it incurs without negligence, bad faith or willful misconduct on its part. The Trust's maximum exposure under this arrangement is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred.

**Table of Contents**

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Rockville, State of Maryland, on March 10, 2011.

CURRENCYSHARES®  
 SWEDISH KRONA TRUST  
 By Rydex Specialized Products LLC  
 Sponsor of the CurrencyShares®  
 Swedish Krona Trust  
 By: /s/ NICK BONOS  
 Nick Bonos  
 Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities\* and on the dates indicated.

Signature	Capacity	Date
/s/ NICK BONOS	Director and Chief Executive Officer	March 10, 2011
Nick Bonos	(principal executive officer)	
/s/ JOSEPH ARRUDA	Director and Chief Financial Officer	March 10, 2011
Joseph Arruda	(principal financial officer and principal accounting officer)	
/s/ MICHAEL BYRUM	Director	March 10, 2011
Michael Byrum		

\* The registrant is a trust and the persons are signing in their capacities as officers or directors of Rydex Specialized Products LLC, the Sponsor of the registrant.