

Lannebo Sverige

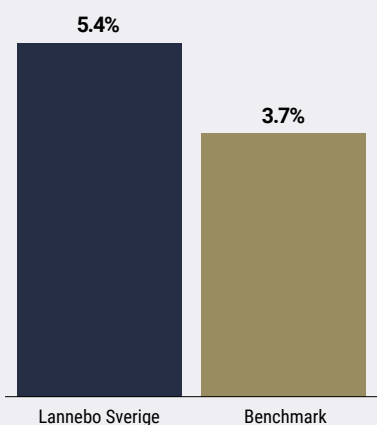
Swedish-registered equity fund

Monthly report August 2020

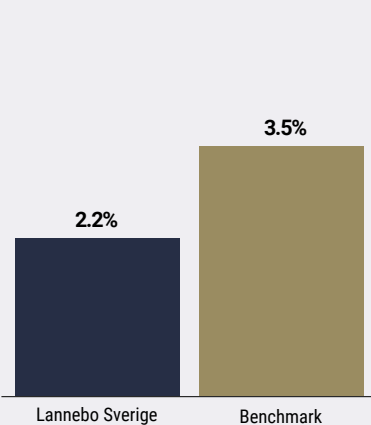
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020
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Monthly performance



Performance YTD



Martin Wallin and Robin Nestor

Performance

Performance, %	Lannebo Sverige	Benchmark
August 2020	5.4	3.7
Year-to-date 2020	2.2	3.5
3 years	27.4	37.2
5 years	50.3	62.9
10 years	185.6	209.2
Since launch (08/04/00)	469.0	360.0
Average annual return 24 months	5.2	9.6
2019 ¹	21.9	35.0
2018 ¹	-1.2	-4.4
2017 ¹	7.4	9.5
2016 ¹	11.0	9.6
2015 ¹	13.0	10.5

¹ The performance is based on closing prices.

Companies work off their orderbooks

Veoneer to supply software in collaboration with Qualcomm.

The risk appetite remains high on the Stockholm Stock Exchange, which, in its entirety, defies global uncertainties brought on by covid-19. Macro indicators in the form of global PMI and industrial production have improved each month and are beginning to reach levels from the previous year. A recovery in the form of a so-called "v-shaped curve" has taken place at a much faster pace than we, and many others, expected. Recently, most of the companies we have listened to and talked with express an underlying optimism regarding order intake and production volumes.

The spread of the coronavirus remains high in some geographies, while the growth in Scandinavia has slowed down significantly. Development of a vaccine continues and there are great hopes of a full-fledged vaccine during 2021. Covid-19, with its spread, has also revealed societal weaknesses. It is fairly certain that pandemics will ravage the world again - but no one knows when and in what form. This time it was a virus that spread from person to person, next time it might be between computers.

Veoneer and Autoliv developed positively during the month, increasing 38 and 19 per cent, respectively. Both companies have

Monthly performance,%

Jan	Feb	Mar	Apr	May	Jun
0.8	-8.6	-16.4	13.8	4.9	0.7
Jul	Aug	Sep	Oct	Nov	Dec
4.7	5.4				

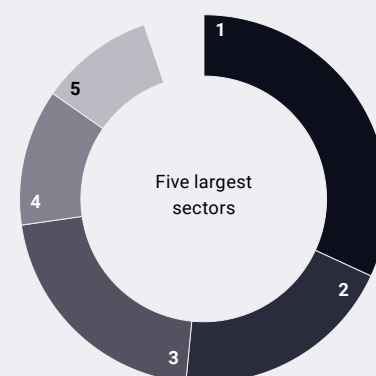
been under pressure during the Spring as a result of sharply reduced production of passenger cars. Subcontractors are now witnessing an improvement - from underproduction to increasing production volumes and stock replenishments. Veoneer, which is facing an eventful Autumn with several production starts, announced at the end of August that the company had entered into a partnership with American Qualcomm. The collaboration means that the two companies will develop a software and hardware product platform for the next generation of advanced driver support for cars. Veoneer will be responsible for software development and, thanks to Qualcomm, the company will have a broader customer base and product portfolio.

Autoliv has managed the difficult Spring well - falling sales, sharply reduced order intake and short lead times for production-adjustments have been partly managed through flexibility and cost reductions. After the company's sales fell by 65 and 55 per cent in April and May, respectively, data for July passenger cars sales reveal a rapid global return to similar levels as in 2019. Recovered demand and low inventories at dealers explain the pent-up demand.

Securitas and AstraZeneca developed weaker than the market as a whole with share price declines during the month of 6 and 2 per cent, respectively. Securitas' Q2 earnings report was good and in accordance with our expectations. Profitability held up well and the operating margin, before depreciation, decreased by one percentage point to 4 per cent. Reduced revenue from, for example, airports have been offset in other sectors, particularly for the business area North America. Free cash flow for the quarter amounted to just over SEK 2 billion and was a clear improvement over the same period last year, even when excluding the positive effects from reduced VAT and social security contributions.

AstraZeneca, which is collaborating with Oxford University on a covid-19 vaccine, reported a positive result for a Phase 1 study. The small number of participants in the study developed an immune response, while no serious side effects were noted. AstraZeneca, which committed to sell the vaccine at cost during the pandemic's continuance, has now signed delivery agreements with most countries and regions around the world. If the upcoming evaluation studies are positive, the vaccine is expected to be available for delivery at the beginning of next year.

Sector allocation



#	Sector	% of the fund
1.	Industrials	29.8
2.	Financials	18.4
3.	Consumer discretionary	19.8
4.	Information technology	11.2
5.	Health care	9.4
6.	Materials	4.9
	Cash	6.5

10 largest holdings

Holding	% of the fund
Nokia SEK	5.7
Nordea	5.5
SKF B	5.4
H&M B	5.3
SEB A	5.2
Ericsson B	5.0
Trelleborg B	4.7
Volvo B	4.7
Swedbank A	4.6
Electrolux B	4.3
Total 10 largest holdings	50.4
Cash	6.5
Total number of holdings	30

Major changes during the month

Buy

Sandvik
Stora Enso
AstraZeneca

Sell

Investor
ABB
Husqvarna

Risk and reward profile

Lower risk					Higher risk	
1	2	3	4	5	6	7

Financial ratios

	Lannebo Sverige	Benchmark
Sharpe ratio	0.4	0.6
Total risk (%)	22.2	19.0
Tracking error	6.5	
Information ratio	-0.7	
Alpha	-0.4	
Beta	1.1	
Active share	67	
Portfolio turnover ratio (06/30/20)	1.6	

Fund facts

Fund manager	Martin Wallin & Robin Nestor
Launch date	08/04/00
NAV per unit (SEK)	42.83
Fund size (SEKm)	3,057
Management fee (%)	1.6
Bankgiro	5563-4604
ISIN	SE0000740680
Trading frequency	Daily
Minimum investment amount	SEK 100
PPM number	806 869
Supervisory authority	Finansinspektionen
LEI	549300GJSC541WIWX079

Risk information

Past returns are no guarantee of future returns. The money invested in the fund may increase or decrease in value and it is not certain that you will get back all the capital you have invested. The key investor information document and prospectus can be found at lannebo.se/en. Please note that Lannebo does not produce investment recommendations or other information recommending or suggesting an investment strategy. Information in this monthly report should not be seen as anything other than a statement of the fund's trading activities and holdings.

The fund is suitable for those who

- Want to take part in developments on the Swedish equity market.
- Want an actively managed fund with investments based on a clear understanding of each individual company.

The fund's investment policy

Lannebo Sverige is an actively managed equity fund that invests in shares on the Swedish equity market.

Explanations

Benchmark SIX Portfolio Return Index. The unit price of the fund is set before the price of the index is calculated. This can sometimes result in a misleading comparison between the two.

Sharpe ratio Sharpe ratio is a measure of risk adjusted return. Calculated as the ratio of the fund's excess return above the risk-free rate of return and the fund's total risk.

Total risk Given as the standard deviation of variations in the total return of the fund or index.

Tracking error Tracking error is a measure of active risk in a fund. Calculated as the standard deviation of the difference between the return of the fund and its benchmark.

Information ratio A measure of risk-adjusted return. This is measured as the active return divided by the portfolio's active risk.

Alpha Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the risk-adjusted excess return relative to the return of the benchmark.

Beta Beta is a measure of a fund's sensitivity to market movements. The beta value reports how much the fund's value changes in percentage terms when the market's value changes by one percentage point.

Active share A measure of the proportion of the portfolio that differ from the benchmark.

All financial ratios are calculated according to guidelines of the Swedish Investment Fund Association.



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