

Lannebo Corporate Bond

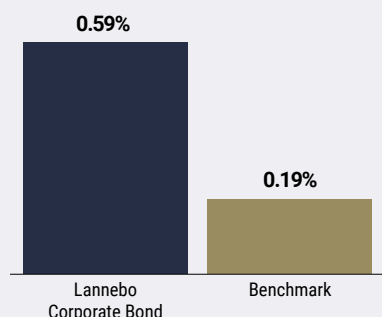
Swedish-registered fixed income fund, SEK

Monthly report January 2021

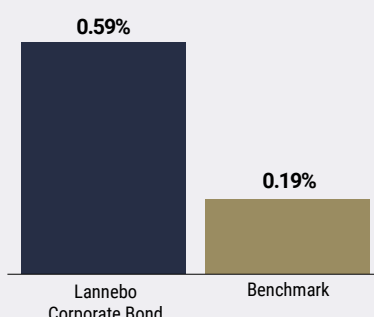
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2021 Feb 2021 Mar 2021 Apr 2021 May 2021 Jun 2021 Jul 2021 Aug 2021 Sep 2021 Oct 2021 Nov 2021 Dec 2021

Monthly performance



Performance year-to-date



Strong start to the year

Investment in the Nordic region's first sustainability linked bond.

The market's positive tone continued in January. The end of the month, however, was marked by uncertainties regarding delays in vaccine deliveries. Long-term this will likely not impact the financial markets, but short-term it means that GDP development will be weaker than expected. The primary market for Nordic corporate bonds kicked off during the month following the Christmas break.

During the month, we participated in the Norwegian shipping company Odfjell's new issue. The company issued the Nordic region's first Sustainability Linked Bond (SLB). An SLB differs from green bonds in that the proceeds are used for a more general restructuring of a company's operations rather than a specific environmental project. The bond has a term of 4 years and a coupon rate of 6.5 per cent. Odfjell is putting major efforts across the company in changes that have an environmental impact. They must reduce their CO2 emissions 50 per cent by 2030 and be climate neutral by 2050. Further, Odfjell needs to reduce its emissions in line with their target, otherwise they will be required to redeem the bond at a higher price at maturity.



Katarina Ponsbach Carlsson and Karin Haraldsson

Performance

Performance (%)	Lannebo Corporate Bond	Benchmark ¹
January 2021	0.6	0.2
Year-to-date 2021	0.6	0.2
3 years	1.5	3.6
5 years	9.3	7.0
Since launch (09/10/12)	19.2	20.7
Average annual return 24 months	0.9	1.6
2020 ²	-2.1	1.9
2019 ²	3.6	1.4
2018 ²	-0.3	0.0
2017 ²	3.4	1.3
2016 ²	3.7	3.0

¹ Before 06/01/20 the benchmark of the fund was Nasdaq OMX Credit SEK TR Index.

² The performance is based on closing prices.

Monthly performance %

Jan	Feb	Mar	Apr	May	Jun
0.6					
Jul	Aug	Sep	Oct	Nov	Dec

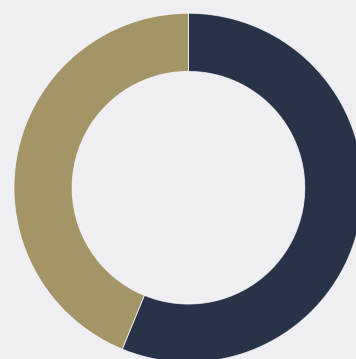
The Riksbank began its purchases of corporate bonds September 14, 2020. Volumes have so far been limited to about SEK 150 million per week. Although it is positive the Riksbank has its mandate in place, volumes have so far been relatively small, and we can assume that should market uncertainty once again increase the Riksbank will increase purchases. The Riksbank announced in November they would keep the repo rate unchanged at zero per cent and that the framework for support purchases of securities would be increased from SEK 500 billion to SEK 700 billion.

In January, we invested in the Swedish real estate company Heimstaden, which is a previous holding. We reduced the holdings in Color and in the subordinated bonds, At1-bonds, issued by SEB and DnB.

During the period, we maintained the fund's structure. Both the credit duration, the average maturity of all holdings in the fund, and the interest duration, measured as the average fixed interest period, were in principle unchanged during the period.

The rate of return is currently approximately 2.4 per cent before fees, given an unchanged interest rate.

Credit rating distribution



	Credit scoring securities	% of the fund
Investment grade	AAA	0.0
	AA+/AA/AA-	0.0
	A+/A/A-	1.6
	BBB+/BBB/BBB-	48.7
High yield	BB+/BB/BB-	39.2
	B+/B/B-	0.0
	CCC/CC/C	0.0
Default	D	0.0
Cash/other		10.4

The share of the portfolio's fixed income securities with an official credit rating amounted to 44.9 per cent.

10 largest holdings

Holding	% of the fund
Velliv	4.0
Castellum	4.0
Tryg Forsikring A/S	3.2
Intrum	3.2
Balder	3.1
Småkraft AS	3.0
Cibus Nordic Real Estate	2.6
DNB Bank	2.6
DFDS	2.6
Cargotec	2.5
Total 10 largest issuers	30.8
Cash	10.4
Total number of issuers	46

Major changes during the month

Buy

Odffjell

Heimstaden

Sell

SEB

DnB

Color Group

Risk and reward profile

Lower risk			Higher risk			
1	2	3	4	5	6	7

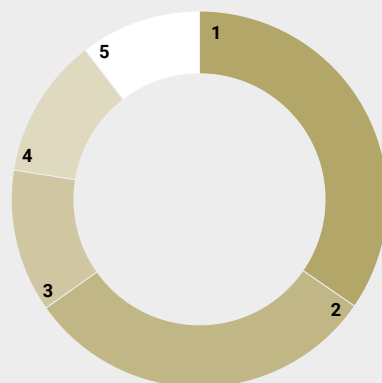
Financial ratios

	Lannebo Corporate Bond	Benchmark
Total risk (%)	8.8	2.1
Interest-rate duration (years)	0.9	
Credit duration (years)	3.0	
Portfolio turnover ratio (12/31/20)	0.7	

Maturity profile

	% of the fund
< 1 year	15
1-3 years	26
3-5 years	56
> 5 years	4

Country allocation



#	Country	% of the fund
1	Sweden	34.6
2	Norway	30.6
3	Finland	12.3
4	Denmark	12.1
5	Cash	10.4

Fund facts

Fund manager	Karin Haraldsson & Katarina Ponsbach Carlsson
Launch date	09/10/12
NAV per unit (SEK)	119.23
Fund size (SEKm)	1,301
Management fee	0.90%
Bankgiro	303-5318
ISIN	SE0004750396
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	5493006FC1DHI1YJE467

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 a higher return than traditional fixed income funds but at a lower risk than equity funds.
- Want exposure to corporate bonds with low to medium risk.
- Want an actively managed fund where a thorough company analysis creates long-term returns.

The fund's investment policy

Lannebo Corporate Bond is an actively managed long-term fixed income fund that mainly invests in Swedish but also other Nordic corporate bonds. The credit duration of the fund is normally 3-5 years. Lannebo Corporate Bond may invest more than 35 per cent of the fund's assets in bonds and other debt instruments issued or guaranteed by a Nordic state or municipality.

Explanations

Benchmark

Solactive SEK IG Credit Index.

Total risk

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

Interest-rate duration

Weighted average life.

Credit duration

Weighted average maturity.

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



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