

Lannebo High Yield

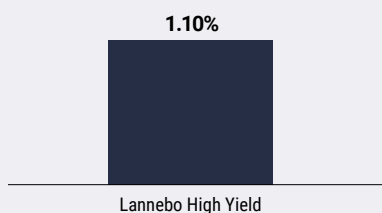
Swedish-registered fixed income fund

Monthly report January 2021

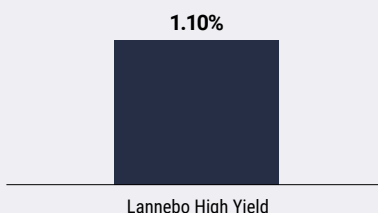
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021
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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 in initiatives with a positive environmental impact. The company must reduce its 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



Katarina Ponsbach Carlsson & Karin Haraldsson

Performance

	Lannebo High Yield
Performance (%)	
January 2021	1.1
Year-to-date 2021	1.1
3 years	2.8
5 years	15.7
Since launch (01/30/15)	16.8
Average annual return 24 months	0.8
2020 ¹	-3.8
2019 ¹	5.0
2018 ¹	1.0
2017 ¹	5.1
2016 ¹	5.6

¹ The performance is based on closing prices.

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
1.1					
Jul	Aug	Sep	Oct	Nov	Dec

higher price at maturity.

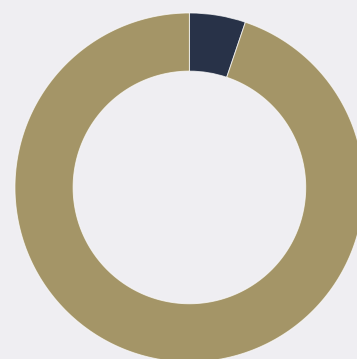
We reduced our holding in, among others, Hoist Group, Sergel, Color and Strömme.

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 maintain 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.

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. We have maintained a low interest rate duration to protect the fund against increasing interest rates.

The rate of return is currently approximately 5.2 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
	A+/A/A-	0.0
	BBB+/BBB/BBB-	4.5
High yield	BB+/BB/BB-	35.3
	B+/B/B-	46.4
	CCC/CC/C	0.5
Default	D	0.0
Cash/other		13.3

The share of the portfolio's fixed income securities with an official credit rating amounted to 31.9 per cent.

10 largest holdings

Holding	% of the fund
Intrum	3.8
Color Group	3.3
SEB	2.6
Bewisybra Group	2.6
Teekay LNG Partners L.P	2.5
Ocean Yield	2.3
SFL Corporation Ltd	2.3
Slättö Fastpartner Spånga	2.2
Sanolium	2.2
Jacob Holm & Sonner	2.2
Total 10 largest issuers	26.1
Cash	13.3
Total number of issuers	49

Major changes during the month

Buy

Odfjell

Norlandia

Alm Equity

Sell

Hoist Group

Color Group

Sergel

Strömme

Risk and reward profile



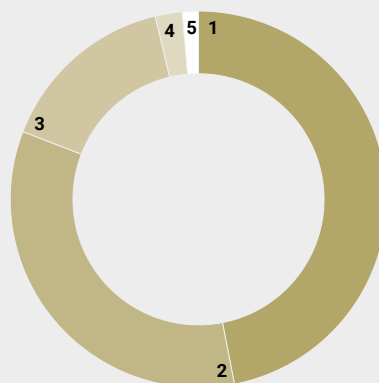
Financial ratios

	Lannebo High Yield
Total risk (%)	12.7
Interest-rate duration (years)	0.6
Credit duration (years)	2.5
Portfolio turnover ratio (12/31/20)	0.6

Maturity profile

	% of the fund
< 1 year	20
1-3 years	42
3-5 years	38
> 5 years	1

Country allocation



#	Country	% of the fund
1	Sweden	40.7
2	Norway	29.4
3	Denmark	13.4
4	Germany	2.0
5	Finland	1.2
6	Cash	10.6

Fund facts

Fund manager	Karin Haraldsson & Katarina Ponsbach Carlsson
Launch date	01/30/15
NAV per unit (SEK)	116.79
Fund size (SEKm)	941
Management fee	0.90%
Bankgiro	584-9369
ISIN	SE0006421855
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300XRFDNRDKE3IM10

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 and who are willing to take on a slightly higher risk.
- Want an actively managed fund where a thorough company analysis creates long-term returns.
- Want a well-diversified fund of corporate bonds.

The fund's investment policy

Lannebo High Yield is an actively managed fixed income fund that primarily invests in High Yield corporate bonds predominantly from issuers in the Nordic region. High Yield bonds are securities issued by companies with a lower credit rating. The average maturity of the fund's holdings is 3-5 years, but may at times deviate from this range. Investments in foreign currency are always hedged.

Explanations

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

Interest-rate duration Weighted average life.

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

Credit duration

Weighted average maturity.



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