

Lannebo Corporate Bond

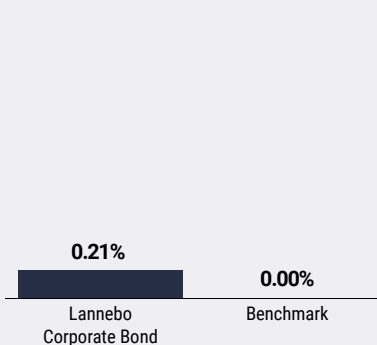
Swedish-registered fixed income fund, SEK

Monthly report May 2021

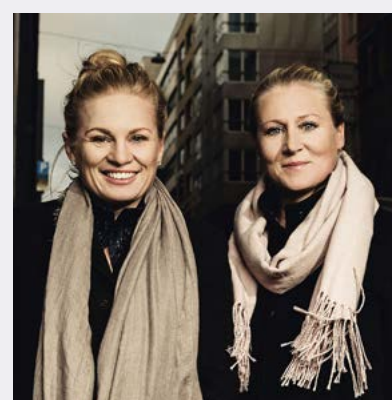
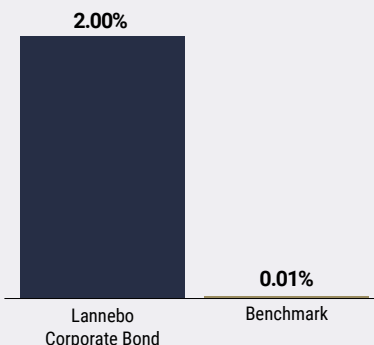
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

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



Katarina Ponsbach Carlsson and Karin Haraldsson

Performance

	Lannebo Corporate Bond	Benchmark ¹
Performance (%)		
May 2021	0.2	0.0
Year-to-date 2021	2.0	0.0
3 years	2.5	2.6
5 years	9.7	5.8
Since launch (09/10/12)	20.9	20.5
Average annual return 24 months	0.8	1.0
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.

High activity and strong quarterly earnings reports

Storskogen and Aktia are new holdings

The positive market tone continued during May with good activity in the primary market. All economic indicators clearly indicate that 2021 will be a year of strong global economic growth. There is concern that rising commodity prices, low inventory levels and sub-contractor bottlenecks, including transport, risk triggering an increase in inflation that will force central banks to raise interest rates to defend their inflation targets. However, inflation concerns have not really taken hold and long-term market rates were virtually unchanged across all maturities. Central banks also remain idle, signaling unchanged policy rates for the foreseeable future.

The majority of Q1 earnings reports came in better than expected. Cost savings have borne fruit, sales are increasing and at the same time order intake has started to accelerated.

We participated in several new issues during the month, including Storskogen and Aktia. Svenska Storskogen is a new issuer in the corporate bond market. The company issued a bond with a three-year maturity and an interest rate of 3-months Stibor + 3 per cent. Storskogen is an investment company that buys companies in

Monthly performance %

Jan	Feb	Mar	Apr	May	Jun
0.6	0.4	0.4	0.4	0.2	
Jul	Aug	Sep	Oct	Nov	Dec

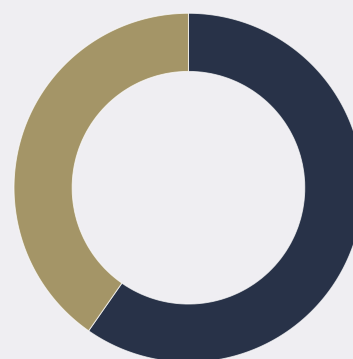
diversified sectors and geographies with the ambition to continue to run the companies with an unending ownership horizon; currently, Storskogen owns approximately 200 companies. We also invested in Finnish Aktia, one of Finland's largest banks and asset managers. The company issued a so-called At1 bond, subordinated capital, with an interest rate of 3.785 per cent and a possible redemption in 5 years. Vattenfall issued a new bond that we also invested in. We divested some holdings that had traded up and where the potential was considered limited; this includes Cibus, Länsförsäkringar and MOWI.

The Riksbank continued with its expansive monetary policy to reach its inflation target and announced in April that it had both expanded and extended the program for support purchases of corporate bonds to Q3 2021. In September last year, the Riksbank began its purchases of corporate bonds, and so far they have only bought approximately SEK 7 billion; however, we consider it as positive that the Riksbank has the opportunity to increase its purchases in the event of market turmoil.

We maintained the fund's structure during the month. The credit duration, the average maturity of all holdings in the fund, was basically unchanged during the period. The interest rate duration, measured as the average fixed interest period, was also unchanged during the period. We maintain the short interest rate duration to protect the fund against rising long-term interest rates.

The rate of return is currently about 2.5 per cent before fees given interest rates remain unchanged.

Credit rating distribution



	Credit scoring securities	% of the fund
Investment grade	AAA	0.0
	AA+/AA/AA-	0.0
	A+/A/A-	4.6
	BBB+/BBB/BBB-	50.6
High yield	BB+/BB/BB-	37.3
	B+/B/B-	0.0
	CCC/CC/C	0.0
Default	D	0.0
Cash/other		7.5

The share of the fund with an official credit rating amounted to 37.5 per cent.

10 largest holdings

Holding	% of the fund
Velliv	4.0
Tryg Forsikring A/S	3.7
Castellum	3.6
Jyske Bank	3.4
Småkraft AS	3.4
DNB Bank	3.0
DFDS	2.9
Cargotec	2.9
Color Group	2.7
AFRY	2.6
Total 10 largest issuers	32.2
Cash	7.5
Total number of issuers	47

Major changes during the month

Buy

Storskogen
Aktie
Vattenfall

Sell

Cibus
Länsförsäkringar
MOWI

Risk and reward profile

Lower risk Higher risk

1	2	3	4	5	6	7
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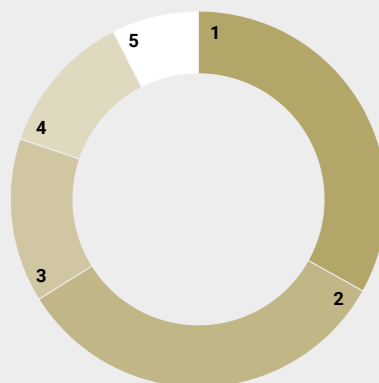
Financial ratios

	Lannebo Corporate Bond	Benchmark
Total risk (%)	8.8	2.1
Interest-rate duration (years)	0.8	
Credit duration (years)	3.2	
Portfolio turnover ratio (12/31/20)	0.7	

Maturity profile

	% of the fund
< 1 year	7
1-3 years	35
3-5 years	51
> 5 years	6

Country allocation



#	Country	% of the fund
1	Sweden	33.1
2	Norway	33.0
3	Denmark	14.1
4	Finland	12.3
5	Cash	7.5

Fund facts

Fund manager	Karin Haraldsson & Katarina Ponsbach Carlsson
Launch date	09/10/12
NAV per unit (SEK)	120.90
Fund size (SEKm)	1,147
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.

Interest-rate duration

Weighted average life.

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

Total risk

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

Credit duration

Weighted average maturity.



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