

Lannebo Sverige

Swedish-registered equity fund

Monthly report June 2021

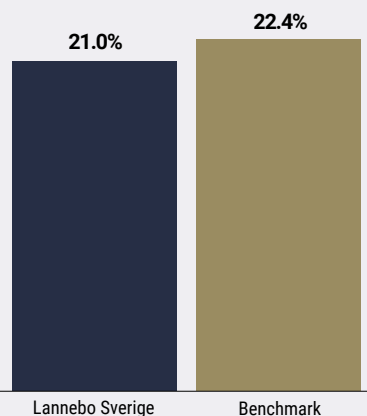
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

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 YTD



Martin Wallin & Robin Nestor

Performance

Performance, %	Lannebo Sverige	Benchmark
June 2021	0.8	0.7
Year-to-date 2021	21.0	22.4
3 years	54.4	74.1
5 years	100.4	125.9
10 years	217.2	262.2
Since launch (08/04/00)	645.1	524.4
Average annual return 24 months	20.9	25.4
2020 ¹	10.4	14.8
2019 ¹	21.9	35.0
2018 ¹	-1.2	-4.4
2017 ¹	7.4	9.5
2016 ¹	11.0	9.6

¹ The performance is based on closing prices.

The market shakes off inflation concerns

Invested in Electrolux and Trelleborg

The risk appetite on the Stockholm Stock Exchange continued to be high. The market went higher in June and there was a number of new listings. Company-specific news was scarce given companies had entered a quiet period ahead of their upcoming quarterly earnings releases. Macro statistics released during the month revealed continued economic recovery, although in some cases the rate of increase was lower. The US Fed signaled it would continue to have a very expansive monetary policy, while at the same time the sustained economic improvements mean there is currently a need to move policy rate increases closer in time. Following the recent high inflation rates, mainly in the US, the central bank succeeded in convincing the market that inflation is under control and of a temporary nature. During the month, commodity prices and market interest rates continued to fall. The above led to the recovery of growth stocks, where they outperformed performed on most markets globally.

Despite the fact that bank shares did not benefit from the prevailing theme on the stock exchange, the holdings in Swedbank, Nordea and SEB developed better than the market as a whole and the respective share prices increased by 7, 7 and 4 per cent. After a slightly weaker share price development in recent months, bank

Monthly performance,%

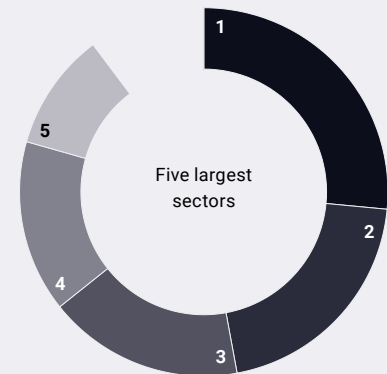
Jan	Feb	Mar	Apr	May	Jun
5.0	2.9	7.5	2.3	1.0	0.8
Jul	Aug	Sep	Oct	Nov	Dec

shares went up. Both Nordea and SEB had a strong share price development during the year as a whole, while Swedbank lagged and is trading at a significant valuation discount. Our view is that bank shares remain undervalued as increased cost efficiency in combination with significant opportunities to distribute surplus capital provides good conditions for improving the return on banks' equity in the coming years.

The holdings in Millicom, NCC and Trelleborg developed worse than the stock market as a whole, falling 9.8 and 7 per cent, respectively. Trelleborg continued to fall back along with many other industrial shares, likely due to concerns the industrial economy is close to a peak and that the current, unusually strong, demand situation will normalize. The share prices of NCC and Millicom also fell back without any negative company-specific news.

The holding in Electrolux was increased during the month. Like other white goods manufacturers, Electrolux has seen positive demand for its products during the pandemic. In recent quarters, demand has exceeded production, which has been limited due to shutdowns and component shortages. Price increases together with lower costs have resulted in strong earnings results and cash flow, which meant the company is now debt-free. Electrolux has implemented an extensive investment program in its US production and our assessment is that accordingly Electrolux will significantly increase the profitability of its North American operations.

Sector allocation



#	Sector	% of the fund
1.	Industrials	25.6
2.	Financials	19.9
3.	Consumer discretionary	16.6
4.	Information technology	14.6
5.	Health care	10.0
6.	Communication services	5.7
7.	Consumer staples	3.9
8.	Materials	0.3
	Cash	3.4

10 largest holdings

Holding	% of the fund
Ericsson B	6.7
SEB A	6.3
H&M B	6.0
Nokia SEK	5.7
Trelleborg B	5.5
Nordea	5.2
Swedbank A	4.7
SKF B	4.7
Autoliv SDB	4.2
Volvo B	3.9
Total 10 largest holdings	52.7
Cash	3.4
Total number of holdings	27

Major changes during the month

Buy

Electrolux
Trelleborg
Handelsbanken

Sell

Essity
Nordea
ABB

Risk and reward profile

Lower risk					Higher risk	
1	2	3	4	5	6	7

Financial ratios

	Lannebo Sverige	Benchmark
Sharpe ratio	1.0	1.4
Total risk (%)	22.1	17.6
Tracking error	7.1	
Information ratio	-0.6	
Alpha	-0.7	
Beta	1.2	
Active share	73	
Portfolio turnover ratio (06/30/21)	1.5	

Fund facts

Fund manager	Martin Wallin & Robin Nestor
Launch date	08/04/00
NAV per unit (SEK)	56.08
Fund size (SEKm)	3,402
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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