

# Lannebo Sverige Hållbar

Swedish-registered equity fund

Monthly report June 2021

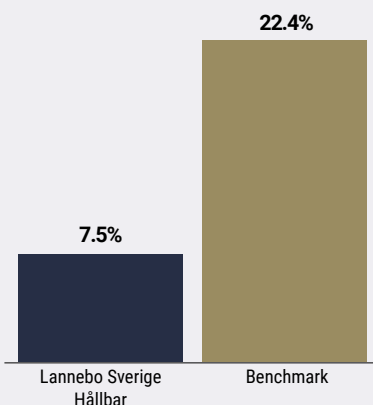
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	<b>Jun 2021</b>	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021
----------	----------	----------	----------	----------	-----------------	----------	----------	----------	----------	----------	----------

## Monthly performance



## Performance YTD



Charlotta Faxén and Peter Lagerlöf.

## Performance

Performance, %	Lannebo Sverige Hållbar <sup>1</sup>	Benchmark <sup>2</sup>
June 2021	-0.3	0.7
Year-to-date 2021	7.5	22.4
3 years	70.8	74.1
5 years	110.6	125.9
10 years	240.9	261.2
Since launch (01/10/10)	258.0	286.7
Average annual return 24 months	21.1	25.4
2020 <sup>3</sup>	24.1	14.8
2019 <sup>3</sup>	34.2	35.0
2018 <sup>3</sup>	-0.7	-4.4
2017 <sup>3</sup>	5.0	9.5
2016 <sup>3</sup>	8.3	9.6

<sup>1</sup> Performance of the fund before 20/12/18 is based on Lannebo Utdelningsfond.

<sup>2</sup> Before 10/12/18 the benchmark of the fund was SIX Return Index.

<sup>3</sup> The performance is based on closing prices.

## A summer calm despite a government crisis Participated in the OX2 IPO

The Stockholm Stock Exchange continued to develop positively in June increasing 0.7 per cent, which equates to a total increase of 22.4 per cent during the first half of the year. The sense, however, is that investors are a little more hesitant than previously. From a Nordic perspective, the Swedish stock market was the weakest, while Denmark was the brightest star - both on the football field and on stock market screens - increasing 4.6 per cent during June.

Performance between sectors differed substantially during the month. Healthcare companies, together with oil-related companies, saw strong share price developments, while consumer goods and services performed weaker. A probable explanation for the poor performance is uncertainty over how consumers will spend their money as countries open up.

The market was relatively calm with few company specific news releases. On the other hand, IPO activity remained strong, driven by a sustained investor risk appetite and corporate optimism. We have been extremely selective regarding our participation in an IPO. In

## Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
-1,4	-1,2	6,3	2,7	1,4	-0,3
Jul	Aug	Sep	Okt	Nov	Dec

June, we only participated in the listing of OX2, which is described in more detail below.

A unique event during the month was the ousting of Prime Minister Stefan Löfvén in a no-confidence vote on June 21 – a first in Swedish history. This also meant that the government resigned and the Speaker was given the task of leading talks for the formation of a new government. One question we have been asked is whether this affects the stock market and if so, how. The simple answer is that short term it does not affect the market at all. Certain companies might be affected longer term due to delays in resolutions for proposals under review. However, this would primarily affect companies where Sweden is their main market, which is relatively unusual among the listed companies operating at an international level.

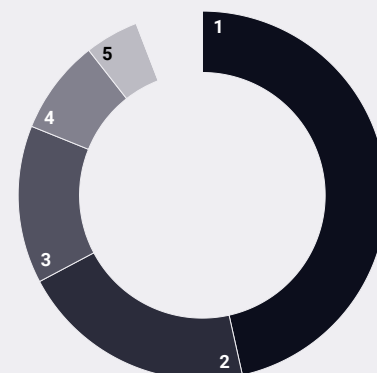
In last month's report, we commented on signals that commodity prices had begun to fall. In June, this was realized to some extent when the price of copper and zinc fell 8.8 and 2.5 per cent, respectively. The price of gold also fell by just over 7 per cent. At the same time, oil prices increased 8 per cent. These fluctuations indicate continued supply problems related to the corona pandemic.

OX2 listed on First North Premier during June. The company develops and markets wind and solar power parks and is a major player in Europe within its segment. In order to meet climate goals, investments in renewable energy will be required for the foreseeable future, which will benefit OX2. The company has operations in Poland, where a staggering 70% of electricity is coal powered. In connection with the listing, OX2 raised around SEK 3 bn in order to accelerate growth.

We also increased our holding in Alfa Laval.

Real estate shares developed positively during a period when the stock market was otherwise relatively stagnant. We chose to sell our holding in Castellum as we saw better investment opportunities elsewhere. We also reduced our holdings in AstraZeneca and AFRY. However, AstraZeneca is still the fund's largest holding.

## Sector allocation



#	Sector	% of the fund
1.	Industrials	48.1
2.	Consumer discretionary	18.1
3.	Health care	13.8
4.	Energy	11.2
5.	Consumer staples	4.9
6.	Materials	2.0
	Cash	2.0

## 10 largest holdings

Holding	% of the fund
AstraZeneca	7.0
AFRY B	5.5
Atlas Copco B	5.2
Essity B	4.9
SKF B	4.6
Thule	4.4
NIBE Industrier B	4.0
Instalco	3.9
Eolus Vind	3.8
Bravida	3.5
<b>Total 10 largest holdings</b>	<b>46.9</b>
Cash	2.0
Total number of holdings	31

## Major changes during the month

### Buy

OX2

Alfa Laval

### Sell

Castellum

AstraZeneca

AFRY

## Risk and reward profile

Lower risk					Higher risk	
1	2	3	4	5	6	7

## Financial ratios <sup>1</sup>

	Lannebo Sverige Hållbar	Benchmark
Sharpe ratio	1.1	1.4
Total risk (%)	20.4	17.6
Tracking error	7.2	
Information ratio	-0.6	
Alpha	-0.4	
Beta	1.1	
Active share (%)	81	
Portfolio turnover ratio (06/30/21)	0.6	

## Fund facts

Fund manager	<b>Charlotta Faxén &amp; Peter Lagerlöf</b>
Launch date	<b>01/10/10</b>
Launch date share class	<b>20/12/18</b>
NAV per unit (SEK)	<b>2 392.17</b>
Fund size (SEKm)	<b>2,045</b>
Management fee (%)	<b>1.60</b>
Bankgiro	<b>5314-3772</b>
ISIN	<b>SE0011973684</b>
Trading frequency	<b>Daily</b>
Minimum investment amount	<b>SEK 100</b>
Supervisory authority	<b>Finansinspektionen</b>
LEI	<b>549300Y41WZFN0E996</b>

## 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.com](http://lannebo.com). 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 invest in companies that have the best sustainable business practices and contribute to a more sustainable society through their products and services.
- Believe in active management and investments based on a clear understanding of each individual company.
- Want to avoid investments in fossil fuel, tobacco, alcohol, weapons, gambling or pornography.

## The fund's investment policy

Lannebo Sverige Hållbar is an actively managed equity fund that mainly invests in the Swedish stock market but may invest up to 10 percent in stock markets outside Sweden. The fund is a so-called all-cap fund that can invest in all sizes of listed companies. Lannebo Sverige Hållbar follows specific sustainability criteria in its investments. This means that the fund, in addition what is required for all of Lannebo funds, actively invests in companies based on three main areas: A better environment, a healthier lifestyle and a better world.

## 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 active risk in a fund. 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.

