

# Lannebo Sverige Plus

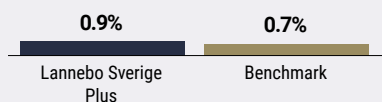
Swedish-registered equity fund

Monthly report June 2021

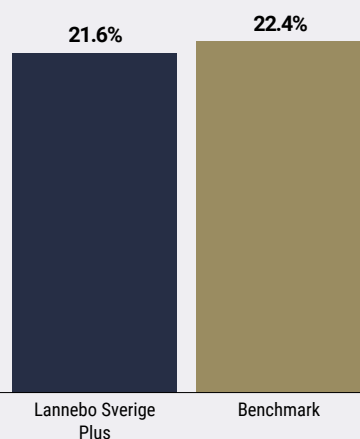
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

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
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## Monthly performance



## Performance YTD



Martin Wallin & Robin Nestor

## Performance

	Lannebo Sverige Plus	Benchmark
Performance, %		
June 2021	0.9	0.7
Year-to-date 2021	21.6	22.4
3 years	58.0	74.1
5 years	113.7	125.9
10 years	257.2	262.2
Since launch (12/11/08)	667.2	587.5
Average annual return 24 months	22.3	25.4
2020 <sup>1</sup>	11.7	14.8
2019 <sup>1</sup>	22.6	35.0
2018 <sup>1</sup>	-0.7	-4.4
2017 <sup>1</sup>	8.8	9.5
2016 <sup>1</sup>	13.3	9.6

<sup>1</sup> The performance is based on closing prices.

## The market shakes off inflation concerns

### Invested in Electrolux och 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, %

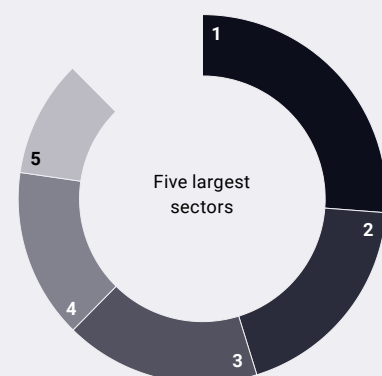
Jan	Feb	Mar	Apr	May	Jun
5.2	3.1	7.4	2.6	0.8	0.9
Jul	Aug	Sep	Oct	Nov	Dec

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	25.5
2.	Financials	18.5
3.	Consumer discretionary	16.7
4.	Information technology	14.5
5.	Health care	10.0
6.	Communication services	5.7
7.	Consumer staples	3.0
8.	Materials	2.9
9.	Real estate	-0.5
	Cash	3.5

## 10 largest holdings

Holding	% of the fund
Ericsson B	6.8
SEB A	6.3
H&M B	6.0
Nokia EUR	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
<b>Total 10 largest holdings</b>	<b>52.9</b>
Cash	3.5
Total number of holdings	34

## 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 Plus	Benchmark
Sharpe ratio	1.0	1.4
Total risk (%)	23.0	17.6
Tracking error	7.7	
Information ratio	-0.4	
Alpha	-0.6	
Beta	1.3	
Active share	78	
Gross equity exposure (%)	106	
Net equity exposure (%)	97	
Portfolio turnover ratio (06/30/21)	1.9	

## Fund facts

Fund manager	<b>Martin Wallin &amp; Robin Nestor</b>
Launch date	<b>12/11/08</b>
NAV per unit (SEK)	<b>74.79</b>
Fund size (SEKm)	<b>5,806</b>
Management fee	<b>1.0% + 20% of any excess return</b>
Return threshold	<b>SIX Portfolio Return Index</b>
Bankgiro	<b>346-3585</b>
ISIN	<b>SE0002686584</b>
Trading frequency	<b>Daily</b>
Minimum investment amount	<b>SEK 100</b>
PPM number	<b>490 292</b>
Supervisory authority	<b>Finansinspektionen</b>
LEI	<b>549300W8FUNESQQE9448</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.se/en](http://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 Swedish equity fund with greater opportunities.
- Want an actively managed fund with investments based on a clear understanding of each individual.

## The fund's investment policy

Lannebo Sverige Plus is an actively managed equity fund that primarily invests in shares on the Swedish equity market. The fund is similar to a traditional equity fund, but with more flexible investment rules. The "Plus" label reflects the fund's ability to invest more than 100 per cent of the fund's assets. For example, the fund can invest 130 per cent in shares that the fund managers are positive about and balance this by reducing its equity exposure by 30 per cent through the sale of shares that the fund does not own. i.e. short selling.

## 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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