

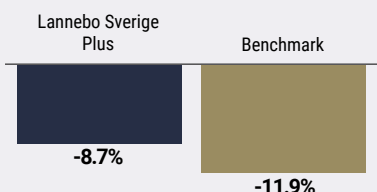
# Lannebo Sverige Plus

Swedish-registered equity fund  
Monthly report June 2022

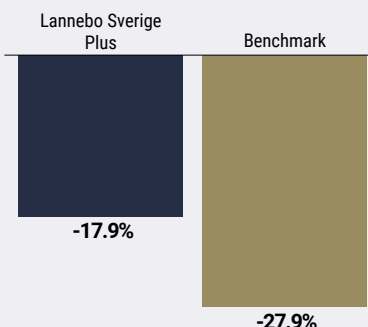
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	<b>Jun 2022</b>	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022
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## Monthly performance



## Performance YTD



Martin Wallin & Robin Nestor

## The market takes into account a recession Valuations fall even as forecasts are downward adjusted

The Stockholm Stock Exchange, measured as SIXPRX, fell further in June bringing the total decrease to negative 27.9 per cent for the first half of the year. The market is, however, still approximately 10 per cent above levels prior the downward correction that started February 2020 due to Covid-19. The current macro data readout indicates a slowdown in the economy: Falling confidence indicators, declining increases in the PMI and decreases in raw material prices and freight rates.

All is in accordance with the Fed's objective to harmonize supply and demand. As a result, inflation will, in our opinion, decrease to more modest levels. Inflation and interest rate expectations will likely be comparatively higher going forward - which we consider to be a good thing, rather than an evil. The absolute levels of policy rates remain low and have moved towards historically more "reasonable" levels. We consider the past three-year period to be extreme, something the market will not return to near term.

The fund's holdings in SOBI and Essity developed better than the market as a whole with increases of 8 and 4 per cent, respectively. In early June, the US FDA granted breakthrough status for one of

## Performance\*

Performance. %	Lannebo Sverige Plus	Benchmark
June 2022	-8.7	-11.9
Year-to-date 2022	-17.9	-27.9
3 years	33.6	29.0
5 years	45.8	47.0
10 years	275.5	219.4
Since launch (12/11/08)	585.2	464.1
Average annual return 24 months	14.6	9.7
2021 <sup>1</sup>	33.1	39.3
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

<sup>1</sup> The performance is based on closing prices.  
\* Net of fees

## Monthly performance, %

Jan	Feb	Mar	Apr	June	Jun
-1.1	-10.2	-1.8	2.0	1.1	-8.7
Jul	Aug	Sep	Oct	Nov	Dec
-	-	-	-	-	-

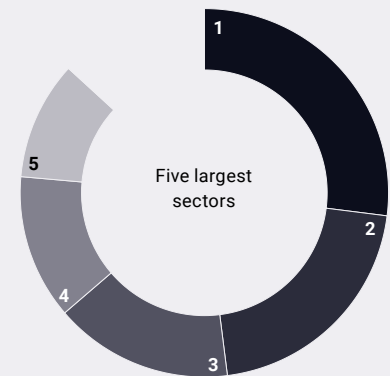
SOBI's upcoming hemophilia A (BIVV001) drugs - the first with a so-called factor therapy to be granted this status. The decision was based on data from a phase 3 study showing meaningful to superior hemorrhage prevention compared to previous prophylactic factor therapies. A regulatory application is expected to be submitted to the FDA in the coming months and to the EU in 2023.

Essity continues to work with price-compensation as a consequence of rising raw material costs. Pulp prices remain at high levels where, in some geographies, manufacturers continue to raise prices. However, the futures market indicates an expectation of declining pulp prices towards the second half of 2022. We currently expect the higher prices and product mix will not fully compensate the negative impacts of cost developments until the beginning of 2023, compared with the same period the year before. The company has historically successfully managed input-material price fluctuations, and assuming the company succeeds anew, the profit- and cash flow valuation is low.

SSAB and Getinge developed weakly in June and fell by 25 and 16 per cent, respectively. SSAB has soon managed two years of high profits since the price of steel and profitability per ton produced have risen sharply. The company's current valuation is between 1-2 times operating profit, which indicates skepticism that these profit levels are sustainable. The price of iron ore is up over 20 per cent this year but has fallen back from the highest levels in June. SSAB profits will undoubtedly decrease in the coming years, but there is potential for profits to normalize at a higher level than was the average prior to the recent years macro events.

Getinge issued a profit warning in June for the full year, where the company lowered both sales and profit expectations. Previous goals were to grow sales organically by 4-6 per cent, which has now been adjusted down in line with 2021 levels. The underlying justifications included: a mild flu season, shutdowns in China and normalization of demand for products related to Covid-19. The holding was increased given the share price decline meant an attractive valuation while the forecast risk may be considered to have decreased.

## Sector allocation



#	Sector	% of the fund
1.	Industrials	27.0
2.	Financials	21.0
3.	Information technology	15.7
4.	Consumer discretionary	12.7
5.	Health care	10.4
6.	Consumer staples	4.0
7.	Communication services	4.7
8.	Materials	1.8
	Cash	2.7

## 10 largest holdings

Holding	% of the fund
Ericsson B	6.3
Nokia EUR	6.2
Swedbank A	5.9
Millicom SDB	5.6
Handelsbanken A	5.5
Sandvik	5.0
Electrolux B	4.8
Trelleborg B	4.8
SKF B	4.6
Nordea	4.6
Total 10 largest holdings	53.4
Cash	2.7
Total number of holdings	34

## Major changes during the month

### Buy

Millicom  
Volvo B  
Alfa Laval

### Sell

Industrivärden  
Essity B  
Nordea

## Risk and reward profile

Lower risk							Higher risk	
1	2	3	4	5	6	7		

## Financial ratios

	Lannebo Sverige Plus	Benchmark
Sharpe ratio	0.9	0.6
Total risk (%)	18.1	19.9
Tracking error	11.4	
Information ratio	0.4	
Alpha	0.6	
Beta	0.7	
Active share	77	
Gross equity exposure (%)	107	
Net equity exposure (%)	97	
Portfolio turnover ratio (06/30/22)	1.6	

## Fund facts

Fund manager	<b>Martin Wallin &amp; Robin Nestor</b>
Launch date	<b>12/11/08</b>
NAV per unit (SEK)	<b>66.80</b>
Fund size (SEKm)	<b>4,473</b>
Ongoing charges	<b>1.01% + 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.

