

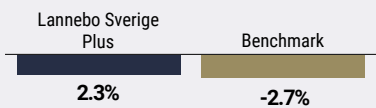
# Lannebo Sverige Plus

Swedish-registered equity fund  
Monthly report December 2022

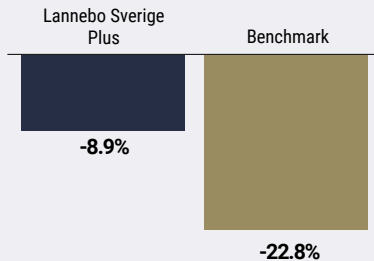
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

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



## Performance YTD



Martin Wallin & Robin Nestor

## Is the equity market beginning to normalize? Rising yield requirements marked the stock market year

The recent years environment of historically low interest rates was characterized by central banks' interventions through support purchases of bonds and government securities, which led to low yield requirements and investor risk-taking. In 2022, the nature of the financial markets changed as inflation raced higher and became a global issue. Central banks were forced to go from full throttle to pulling the brakes and, as a result, were forced to tighten monetary policy during the year. In financial markets, where margin pricing prevails, the effect was dramatic with sharply increased yield requirements that in many cases led to major corrections. During the year, the fund managed well in a falling stock market. At sector level, the fund's large holdings in banks produced a positive total return. A significant contribution to performance was also provided by the industrial company Trelleborg, that, during the year, divested its operations in agriculture and industrial tires. The streamlining was appreciated by the market, which rewarded with an increasing share price.

Ericsson announced in December that the company had concluded all ongoing legal disputes with Apple and that the parties reached an agreement on a new patent license agreement. During Q4, Ericsson will

## Performance\*

	Lannebo Sverige Plus	Benchmark
Performance. %		
December 2022	-2.3	-2.7
Year-to-date 2022	-8.9	-22.8
3 years	35.1	23.6
5 years	64.2	59.4
10 years	264.4	213.6
Since launch (12/11/08)	660.6	504.6
Average annual return 24 months	9.8	3.7
2022 <sup>1</sup>	-9.5	-22.8
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

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

## Monthly performance, %

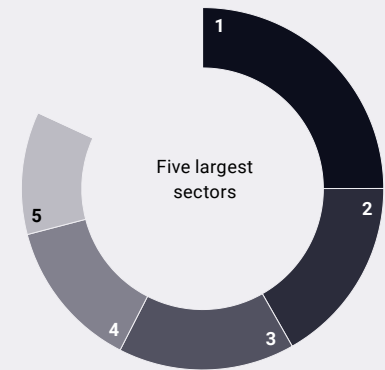
Jan	Feb	Mar	Apr	May	Jun
-1.1	-10.2	-1.8	2.0	1.1	-8.7
Jul	Aug	Sep	Oct	Nov	Dec
9.5	-3.1	-7.5	7.3	7.8	-2.3

book license revenue of SEK 5 to 6 billion. In our view, the agreement demonstrates the value of the company's patent portfolio and that ongoing annual patent revenue should be able to go higher.

The holdings in Essity and Swedbank developed significantly better than the market as a whole, with gains of 7 and 5 per cent respectively. Essity rose during the month on hopes that the company is heading into a better phase as price increases continued, while pulp and energy prices may have peaked, both of which are major costs. On December 6th, Swedbank held a Capital Market's day. The bank clarified possibilities of achieving a return of at least 15 per cent on equity. Our view is that this is not reflected in the bank's valuation and that there is continued share price potential.

Autoliv and Getinge developed weaker than the market as a whole and fell -13 and -11 per cent respectively. Auto-related shares fell during the month due to concerns that irregularities, which in recent years characterized production globally, will continue for a longer period of time. This is because of, among other things, China's production shutdowns due to Covid-19 that have resulted in lower efficiency and profitability. Our view is that Autoliv continues with internal measures to increase efficiency and better price realization to counteract these negative effects. Getinge fell back after a period of share price recovery as there are concerns that the company will have difficulty short term raising prices at the rate required to meet underlying cost pressures.

## Sector allocation



#	Sector	% of the fund
1.	Financials	24.4
2.	Information technology	16.4
3.	Industrials	15.4
4.	Health care	13.1
5.	Communication services	10.7
6.	Consumer discretionary	9.2
7.	Materials	4.0
8.	Consumer staples	0.9
	Cash	5.8

## 10 largest holdings

Holding	% of the fund
Swedbank A	8.3
Ericsson B	7.8
Handelsbanken A	7.7
Millicom SDB	6.0
Nokia EUR	5.4
Tele2 B	4.7
Nordea	4.7
SKF B	4.6
Sandvik	4.6
Autoliv SDB	4.6
Total 10 largest holdings	58.4
Cash	5.8
Total number of holdings	31

## Major changes during the month

### Buy

Handelsbanken  
Autoliv  
Tele2

### Sell

SEB  
Essity  
Alfa Laval

## Risk and reward profile

Lower risk				Higher risk		
1	2	3	4	5	6	7

## Financial ratios

	Lannebo Sverige Plus	Benchmark
Sharpe ratio	0.6	0.3
Total risk (%)	17.6	21.8
Tracking error	11.3	
Information ratio	0.5	
Alpha	0.6	
Beta	0.7	
Active share	83	
Gross equity exposure (%)	104	
Net equity exposure (%)	94	
Portfolio turnover ratio (12/31/22)	2.2	

## Fund facts

Fund manager	<b>Martin Wallin &amp; Robin Nestor</b>
Launch date	<b>12/11/08</b>
NAV per unit (SEK)	<b>74.15</b>
Fund size (SEKm)	<b>5,310</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.



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