

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.



Central banks' balancing act

Mastercard benefits from increased travel



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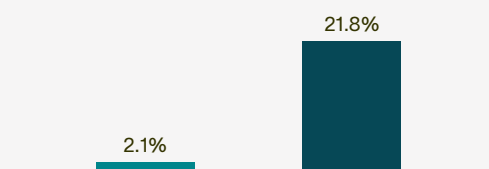
The stock market continued to be volatile during August due to indicators for the economy, inflation, and interest rates. On top of this, there was concern over a continued weaker Chinese economy. This led to market volatility and generally excessive market reactions, but primarily in individual shares. Central banks globally are now balancing on a fragile thread as inflation comes down, but it has not yet reached the 2 per cent target.

At the same time, we are beginning to see indications that economies are cooling, which has made it more difficult to interpret central bank rhetoric - during Fed Chairman Powell's last speech, the stock market fittingly wavered after every sentence he uttered. Is it possible to succeed in the historically difficult-to-achieve soft landing, or will the recession be deep? However, we avoid speculating on these short-term movements attributable to shifts in the economic outlook and instead focus on investing in well-run profitable companies at a reasonable valuation. This means that fluctuations in the fund short term may differ from other funds and indexes, but we are convinced that it is the right strategy longer term. The basis for good share price development is a company's ability to deliver long-term profit growth and advance their market position when the economy is tougher.

It becomes comparatively tougher for the fund in periods when the market increase is narrow with only a few companies driving the index development. As an example, up until August 25th the S&P 500 was up 15 per cent for the year, but when excluding the five largest companies, the index was up only 7 per cent. Amazon, Apple, Microsoft, Alphabet and Nvidia, which are the five largest, were together up 53 per cent over the same time period. In MSCI's Technology Index, which is used by index technology funds, the three largest holdings now weigh over 50 per cent, with Apple, among others, at 24 per cent. The hype surrounding AI continued to drive these companies share prices, where the semiconductor company Nvidia continued to be the most popular company with investors.

The fund's performance*

■ 1 month
■ 1 year



Performance (%)	Fund	Index ¹
August 2023	2.1	2.5
YTD 2023	37.4	46.2
1 year	21.8	35.6
3 years	44.2	68.9
5 years	113.7	142.0
10 years	644.2	759.0
Since launch (08/04/00)	97.2	295.7
Average 24 months	6.0	12.6
2022 ¹	-20.8	-21.7
2021 ¹	31.4	41.5
2020 ¹	29.5	23.0
2019 ¹	40.6	50.8
2018 ¹	7.3	6.1

¹ The performance is based on closing prices.

*Net of fees

Jan	Feb	Mar	Apr	May	Jun
10.4	-1.7	6.5	-1.4	12.8	5.1
Jul	Aug	Sep	Oct	Nov	Dec
-0.4	2.1	-	-	-	-

One of the fund's most positive contributors in August was Mastercard that reported better-than-expected results at the end of July, sending the stock to an all-time high in August. In connection with the release of their earnings report, Mastercard announced that consumers continued to spend despite higher interest rates and inflation. This is not least noticeable in international payments, where Mastercard grew by 24 per cent compared to last year. When comparing Mastercard's current Q2 international travel-related revenue with pre-pandemic levels in Q2 2019, the growth was 154 per cent. Mastercard announced in late August that it plans to raise merchant fees on customers' credit purchases, which will further boost revenue.

Alphabet was another positive contributor in August. In last month's report, we wrote about Alphabet's earnings report that exceeded expectations. Since then, the stock has continued to rise, mainly due to the company's investments in AI and new product launches.

The fund's biggest negative contributor was Fortinet, which offers comprehensive solutions for network security. Fortinet reported in early August and the Q2 financials were in line with expectations. However, the forecast showed lower revenues for the current year than the market had expected. The lower revenues are mainly due to a weaker economy and more restrained customers within information technology. This caused the stock to drop sharply.

Later in the month, industry colleague Palo Alto Networks, which is also one of our holdings, released earnings. They chose to release their report on a Friday afternoon, leading the market to speculate whether the report would miss expectations. Concerns over the report caused the market to trade down not only Palo Alto Networks, but also Fortinet. However, when Palo Alto Networks released their significantly better than expected earnings report, shares of both Palo Alto Networks and Fortinet soared.

Largest holdings

Holding	Share of the fund (%)
Microsoft	7.8
Alphabet A	6.7
Palo Alto Networks	5.4
Amazon	5.1
Adobe	5.0
Salesforce	4.7
Apple	4.6
Mastercard	4.3
Microchip Technology	3.9
Intuit	3.9
Total ten largest holdings	51.4
Cash	4.9
Total number of holdings	30

Main changes

Bought	Sold
-	Walt Disney
-	Autodesk
-	-

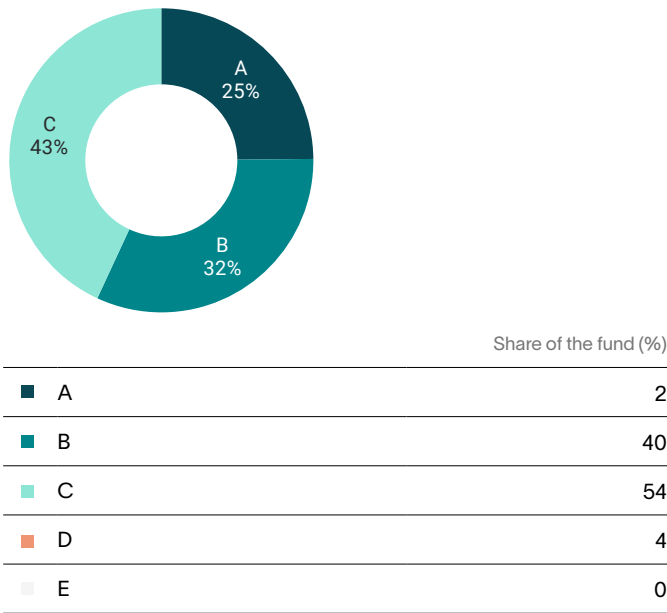
Sector allocation

Sector	Share of the fund (%)
Information technology	77.0
Communication services	7.7
Consumer discretionary	5.1
Healthcare	3.6
Industrials	1.7

We work actively to take advantage of business opportunities and avoid risks related to the environment, social sustainability and corporate governance.

Sustainability grade

Lannebo’s sustainability analysis identifies and grades the portfolio holdings’ management of sustainability risks, environmental impact, and sustainability in the business model. A is the highest grade and E the lowest.



Voting

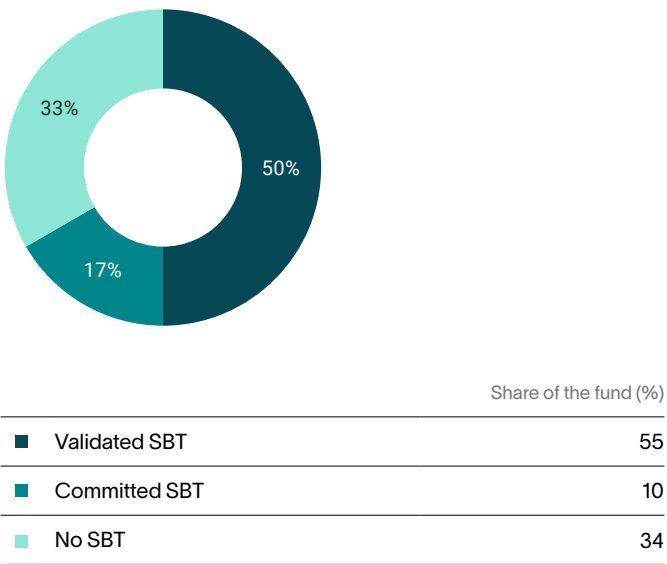
Share of the fund where Lannebo has voted at the general meeting.

	Share of the fund (%)
2023 YTD	1
2022	15
2021	15

Climate target

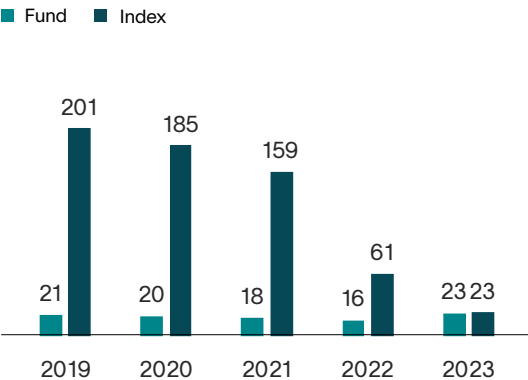
Lannebo has committed to a climate target that requires the companies in material sectors within its portfolios to establish science-based emissions reduction targets, SBT.

Year 2040: 100% Year 2030: 50%



Carbon footprint

Carbon footprint, measured as the weighted average carbon intensity, shows the fund’s exposure to companies with high carbon intensity. Higher carbon intensity is an indication of higher climate change-related risks.



Gender equality on boards

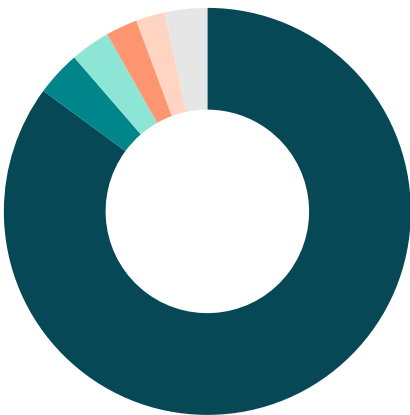
The objective is to ensure greater gender representation by aiming for a minimum of 40 percent representation of the under-represented gender among board members on average.

	Share (%)
Women	33
Men	67

Financial ratios

	Fund	Index
Sharpe ratio	0.3	0.6
Total risk (%)	20.3	23.2
Tracking error	4.8	
Information ratio	-1.5	
Alpha	-5.5	
Beta	0.9	
Portfolio turnover ratio	0.1	
Active share (%)	66	

Country allocation



Country	Share of the fund (%)
United States	81
Japan	3.4
Guernsey	3
Netherlands	2.4
France	2.2
Other	3.2

Fund facts

Fund managers	Johan Nilke & Helen Groth
Launch date	08/04/00
NAV per unit	SEK 18.58
Fund size	SEKm 9,160
Ongoing charges*	1.7%
ISIN	SE0000740672
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300Y3UW5Y5DPJSO02

* Ongoing costs consist of management fees and other administrative or operating costs (an estimate based on actual costs over the past year) and transaction costs (an estimate of costs incurred when a fund buys and sells securities).

Risk indicator



Explanations*

Alpha

Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the riskadjusted excess return relative to the return of the benchmark.

Carbon footprint

The weighted average carbon intensity is calculated by multiplying the portfolio company's weight in the fund by the portfolio company's emissions (scope 1 and 2) in relation to its revenue in millions of SEK. In 2022, Lannebo changed data provider.

Benchmark

MSCI World IT 10/40 Net Total Return Index* calculated in SEK. 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.

* Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and January not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

Beta

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.

Sharpe ratio

A measure of risk adjusted return. Calculated as the ratio of the fund's excess return above the riskfree rate of return and the fund's total risk

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 en.lannebo.se.

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.

Information ratio

A measure of riskadjusted return. This is measured as the active return divided by the portfolio's active risk.

Total risk

Given as the standard deviation of variations in the total return of the fund or index.

Tracking error

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.
