

Lannebo Sverige Hållbar

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.



An earnings season devoid of drama Nordea is a new holding



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Markets globally continued to climb on a broad front in February. A notable event was the Japanese stock market that was back at an all-time high - 35 years after the previous record was set. Nordic markets followed the international trend. The Swedish stock exchange was the strongest, while the Finnish market was the weakest; and large caps outperformed small caps.

Earnings season came to an end, which, similar to the Q3 developments, did not offer many new insights. The economy slowed down without drama, except in the construction sector - where it is very weak. The economy in the USA remains relatively strong, while Europe is sluggish.

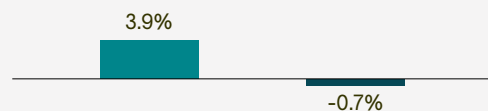
Among our holdings, Bravida was rewarded with a strong positive share price reaction. The company's cash flow improved and the order book increased significantly. Another winner during the month was Danish Coloplast, which improved its profit margin after several consecutive quarters of deterioration. Garo was once again on the negative side, where EV charging infrastructure profitability has essentially dried-up. It is difficult to see any clear improvement short term given the competitive situation and the current weakness of EV sales.

The market's view of central banks' monetary policy sobered up during the month. From an expectation of aggressive interest rate cuts during the year, expectations are more reasonable where the first rate cut by the Fed, ECB and the Riksbank may come before the Summer, followed by a couple more in the Autumn. Expectations have shifted partly because inflation has remained at higher levels than expected, and in part the US economy has been clearly better than expected.

Bond yields climbed as a result of higher than expected inflation. However, the Swedish ten-year government bond rate is "only" 2.5

The fund's return*

- 1 month
- 1 year



Performance (%)	Fund ¹	Index ²
February 2024	3.9	3.8
YTD 2024	1.2	2.1
1 year	-0.7	11.5
3 years	2.3	24.0
5 years	48.3	81.3
10 years	134.5	185.5
Since launch (10/01/10)	231.8	313.8
Average 24 months	-0.3	5.8
2023 ³	1.4	19.2
2022 ³	-20.5	-22.8
2021 ³	23.0	39.3
2020 ³	24.1	14.8
2019 ³	34.2	35.0

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

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

³ The performance is based on closing prices.

*Net of fees

	Jan	Feb	Mar	Apr	May	Jun
	-2.6	3.9	-	-	-	-
	Jul	Aug	Sep	Oct	Nov	Dec
	-	-	-	-	-	-

per cent, where it remains remarkably low. Assuming the Riksbank's inflation target of two percent will be the average inflation for the coming decade, the real return is modest for lenders to the government.

We also noted a stock market shift during February. It is no longer so-called growth stocks that drive the market, but, rather, value stocks have made a comeback. It remains to be seen whether the shift will be permanent during the Spring; the valuation gap between these, however, is large and has grown over the Winter, so this would be a logical development - at least in the short term.

Nordea is a new holding. We are generally positive to bank shares and assess the valuation in Nordea has come down to a more attractive level relative to other Nordic commercial banks. We also believe that the profit trend will continue to be good. We increased our holding in Eolus Vind after a negative share price reaction in connection with the quarterly earnings - an earnings report that was in fact clearly better than expected. We also increased our holding in Inwido given we think the company's growth potential is underestimated when the construction market turns.

The holding in Garo was divested in its entirety after another disappointing earnings quarter. We reduced the holding in Electrolux after another quarter of weak development. The market is very challenging for the company's products and we think that the risk in the share has increased. We also reduced our holding in Investor after a strong share price development

Largest holdings

Holding	Share of the fund (%)
Bravida Holding	5.8
OX2	5.5
Handelsbanken A	5.4
AstraZeneca	5.3
Hexagon B	5.3
Nibe Industrier B	4.7
Swedbank A	4.7
Rejlers B	4.6
Investor B	4.6
Inwido	4.4
Total ten largest holdings	50.3
Cash	4.4
Total number of holdings	27

Main changes

Bought	Sold
Nordea	Electrolux
Eolus Vind	Investor
Inwido	Garo

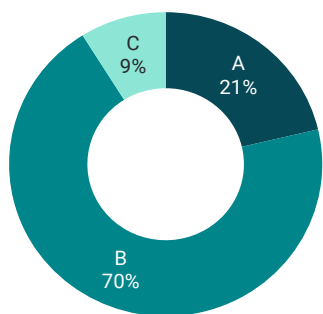
Sector allocation

Sector	Share of the fund (%)
Industrials	42.3
Financials	16.4
Energy	11.2
Material	6.5
Healthcare	6.3
Information technology	5.3
Consumer discretionary	5.2
Real estate	2.5

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.



Share of the fund (%)

■ A	21
■ B	70
■ C	9
■ D	0
■ E	0

Nomination committees

Lannebo participate in nomination committees to contribute to competent boards with relevant experience for the companies.

Company

Balco
Inwido
OX2
Rejlers

Voting

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

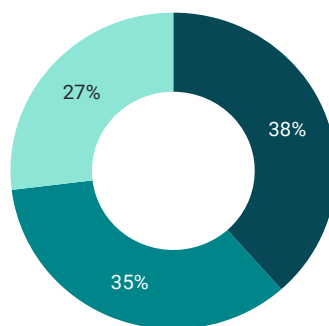
Share of the fund (%)

2024 YTD	0
2023	70
2022	57

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%



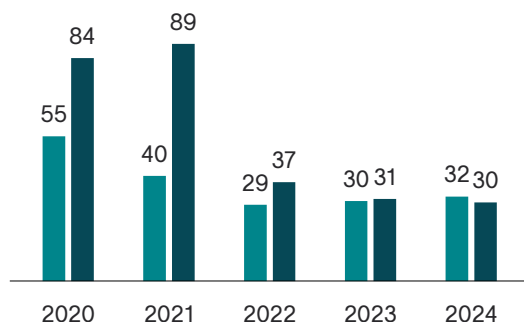
Share of the fund (%)

■ Validated SBT	38
■ Committed SBT	35
■ No SBT	27

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.

■ Fund ■ Index



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	35
Men	65

Financial ratios

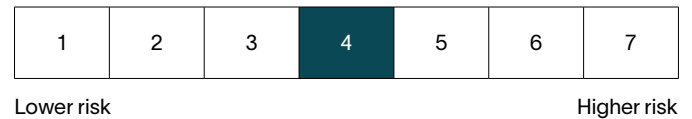
	Fund	Index
Sharpe ratio	0.0	0.3
Total risk (%)	21.8	20.3
Tracking error	8.2	
Information ratio	-0.9	
Alpha	-7.0	
Beta	1.0	
Portfolio turnover ratio	0.5	
Active share (%)	75	

Fund facts

Fund managers	Charlotta Faxén & Peter Lagerlöf
Launch date	10/01/10
Launch date share class	12/20/18
NAV per unit	SEK 1 625.83
Fund size	SEKm 852
Management Fee	1.6%
Ongoing costs*	1.8%
ISIN	SE0011973684
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300Y41WZFFONEIE996

* 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*

Active share

A measure of the proportion of the portfolio that differ from the benchmark.

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.

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.

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.

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 EUR.

Information ratio

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

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

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.

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.

Total risk

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

* All financial ratios are calculated according to guidelines of the Swedish Investment Fund Association.