

Lannebo Teknik

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.



2024 off to a strong start

Amazon, Nvidia and Salesforce at the top



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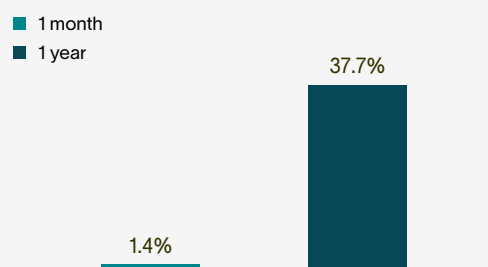
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In February, we continued in the same positive stock market track as in January; and where large caps developed better than small caps. However, this is not to say that it was a straight-forward journey upwards. The market's view of interest rate cuts changed somewhat given inflation persisted and the economy looks better than expected. The belief is no longer that aggressive cuts will be announced this summer, but, rather, that they will be pushed further out in the future. Additionally, we witnessed a small trend break during February in that it was not only growth stocks that lifted markets, but value stocks in some markets were also stronger. Companies with exposure to AI continued to go strong, with Nvidia at the forefront, while the significant valuation discounts on small caps compared to large caps continued.

We attended a tech conference in London where 26 companies participated. Considering that last year was all about AI - focus was predictably once again on AI. Interest was high over how far companies have advanced their AI development - both internally and externally, and the magnitude of the potential impact for these companies. The view is that it will have a large positive impact on most companies in the form of efficiencies and product improvements; it is all about companies collecting large amounts of data, which, if they can take advantage of it, is a great asset. With AI tools, data can be managed more efficiently and thereof create a deeper understanding of customer needs, improved business models, and more.

Although the possibility to build language models, similar to ChatGPT, have been improved, it is easier said than done to adapt these for a company and its customers. The costs of building language models are very high as it requires huge amounts of energy to both train - given the large amounts of data - and to run. In addition to AI, a consistent theme throughout the conference was the weak economy, which is beginning to level off, where most participating companies were optimistic about the coming years.

The fund's return*



Performance (%)	Fund	Index ¹
February 2024	1.4	6.5
YTD 2024	8.9	15.0
1 year	37.7	55.8
3 years	49.5	83.0
5 years	140.2	195.0
10 years	583.1	773.5
Since launch (08/04/00)	114.5	364.2
Average 24 months	13.0	22.5
2023 ¹	35.6	49.1
2022 ¹	-20.8	-21.7
2021 ¹	31.4	41.5
2020 ¹	29.5	23.0
2019 ¹	40.6	50.8

¹ The performance is based on closing prices.

* Net of fees

Jan	Feb	Mar	Apr	May	Jun
7.4	1.4	-	-	-	-
Jul	Aug	Sep	Oct	Nov	Dec
-	-	-	-	-	-

At the end of the month, we also saw the last of the 2023 quarterly earnings reports roll in. Overall, they followed the same Q3 patterns where profits continued to look favorable and growth was decent; the difference is that we consider more 2024 forecasts to not quite live up to expectations. It seems like expectations, which recently drove the market upward, have to some extent run ahead of the fundamentals. As we already mentioned, AI generally continued to drive development in related companies and this was also the case for fund holdings; Amazon, Nvidia and Salesforce were the biggest positive contributors to performance during the month. We also saw AMD, ASML and Microsoft at the top for the fund's positive development based somewhat on the same theme.

Unfortunately, Palo Alto Networks' earnings report fell short of expectations and the stock was the fund's biggest negative contributor. However, we should add that the stock was up 160 per cent since January 1, 2023 and 24 per cent since the turn of the year, which, in turn, increased earnings expectations. The report for the quarter met our expectations. It was primarily the forecast that changed. The company presented a more aggressive pricing strategy where test accounts are offered for free for a shorter period of time to increase the number of platform customers. Short term, this may affect the result in the coming year, but in our opinion should provide higher growth longer term. The company also stands by its profitability targets. We do not either see any weakness in demand, which neither the company nor its competitors have indicated.

During the month we continued to increase our holdings in Amadeus, and we divested part of our holding in Tomra given the share price was up almost 50 per cent after an earnings release that came in better than the market's very low expectations.

Largest holdings

Holding	Share of the fund (%)
Microsoft	8.4
Alphabet A	5.8
Amazon	5.5
Salesforce	5.5
Palo Alto Networks	5.4
ASML	4.8
Adobe	4.2
Mastercard	4.2
International Business Machine	4.1
Intuit	4.0
Total ten largest holdings	51.9
Cash	7.6
Total number of holdings	27

Main changes

Bought	Sold
Amadeus	Tomra
-	-
-	-

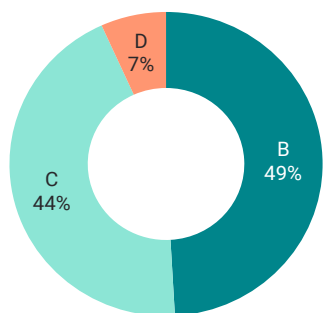
Sector allocation

Sector	Share of the fund (%)
Information technology	76.2
Communication services	5.8
Consumer discretionary	5.5
Healthcare	3.9
Industrials	1.0

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	0
■ B	49
■ C	44
■ D	7
■ E	0

Voting

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

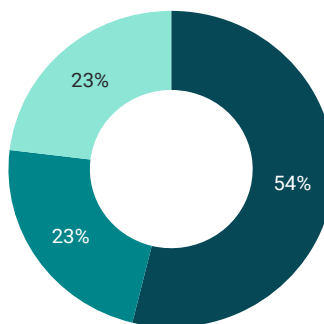
Share of the fund (%)

2024 YTD	0
2023	5
2022	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%

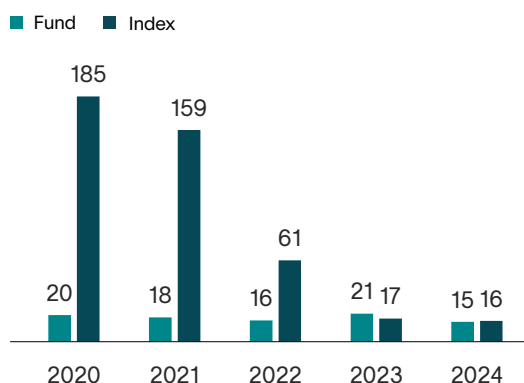


Share of the fund (%)

■ Validated SBT	54
■ Committed SBT	23
■ No SBT	23

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.

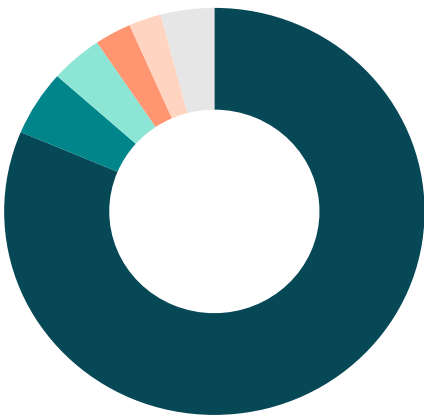
Share (%)

Women	32
Men	68

Financial ratios

	Fund	Index
Sharpe ratio	0.7	1.0
Total risk (%)	20.3	23.3
Tracking error	5.1	
Information ratio	-1.9	
Alpha	-6.4	
Beta	0.9	
Portfolio turnover ratio	0.1	
Active share (%)	67	

Country allocation



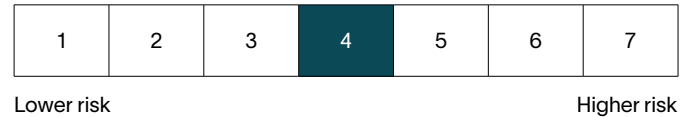
Country	Share of the fund (%)
United States	75.1
Netherlands	4.8
Japan	3.7
Guernsey	2.6
France	2.3
Other	3.8

Fund facts

Fund managers	Johan Nilke & Helen Groth
Launch date	08/04/00
NAV per unit	SEK 20.21
Fund size	SEKm 10,205
Management Fee	1.6%
Ongoing charges*	1.6%
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 EUR. 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.