

Lannebo Sverige Plus

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.

A clearer interest rate environment

Global licence agreement for BioArctic



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Lannebo Sverige developed marginally positively in December, and was close to year-high levels but fell back towards the end of the month. For the year, the US Federal Reserve lowered its key interest rate by one percentage point to 4.50 per cent. A look back shows that at the end of 2023, the market expected a negative interest rate adjustment of 1.5 to 1.75 percentage points for 2024. We wrote in the monthly letter a year ago that the number of cuts is of less importance, what is important is the stabilised policy rate level. Now there is a clearer picture of both future interest rate and inflation levels, which makes us optimistic about the composition of the fund and future developments.

BioArctic signed a global licence agreement with Bristol-Myers Squibb for two product candidates, one of which uses the company's BrainTransporter technology, as described in last month's text. For the agreement, BioArctic will receive a \$100 million upfront payment and additional significant milestone payments. If the products are commercialised, there is also a royalty of around 10% of global sales. The agreement gives credibility to the company's technology for getting drugs across the blood-brain barrier and increases the likelihood of further lucrative partnerships. The agreement is subject to US antitrust approval.

Getinge had a volatile year, both in terms of share price and operations. Several challenges remain in the form of the development and approval of new products, but continuous improvements are being made in the internal quality work. Profitability has been under pressure in recent years due to increased costs for recalled products, intensified quality work, production problems and restrained buying behaviour among customers. As a result, there is clear potential for improvement, but with continued risks. The single most important factor for the company's valuation in the near future is to maintain sales in the ACT business area with a slightly higher operating margin.

The fund's return*

- 1 month
- 1 year



Performance (%)	Fund	Index ¹
December 2024	1.5	-1.2
YTD 2024	10.0	8.6
1 year	10.0	8.6
3 years	13.1	-0.1
5 years	68.2	59.9
10 years	186.1	173.6
Since launch (12/11/08)	844.0	682.2
Average 24 months	11.8	13.8
2023 ¹	13.6	19.2
2022 ¹	-9.5	-22.8
2021 ¹	33.1	39.3
2020 ¹	11.7	14.8
2019 ¹	22.6	35.0

¹ The performance is based on closing prices.

* Net of fees

Jan	Feb	Mar	Apr	May	Jun
0.2	1.8	5.3	2.2	2.6	-4.2
Jul	Aug	Sep	Oct	Nov	Dec
1.6	0.5	0.7	-0.2	-2.5	1.5

Neither Ericsson nor Swedbank received a final decision from the US SEC and DOJ, but both companies have clearly strengthened their internal compliance efforts since the authorities started scrutinising the companies. It remains to be seen when the decisions will be made and whether or not they will result in any additional fines.

Largest holdings

Holding	Share of the fund (%)
Ericsson	7.8
Sandvik	7.1
SKF	7
Swedbank	6.9
Elekta	5.5
Autoliv	5.2
Handelsbanken	4.8
Nokia	4.8
Getinge	4.7
Nordea	4.7
Total ten largest holdings	58.5

Main changes

Bought	Sold
Trelleborg	Essity
Handelsbanken	SEB
Autoliv	Swedbank

Sector allocation

Sector	Share of the fund (%)
Basic Materials	24.4
Health Care	19.2
Financials	18.1
Technology	15.1
Industrials	14.5
Consumer cyclicals	8.7
Consumer non-cyclicals	1.4

Financial ratios

	Fund	Index
Sharpe ratio	1.1	1.2
Total risk (%)	11.3	13.0
Tracking error	8.1	
Alpha	2.6	
Beta	0.7	
Portfolio turnover ratio	1.9	
Gross equity exposure (%)	114	
Net equity exposure (%)	97	
Active share (%)	89	

Risk indicator

1	2	3	4	5	6	7
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Lower risk Higher risk

Fund facts

Fund managers	Martin Wallin & Robin Nestor
Launch date	12/11/08
NAV per unit	SEK 90.03
Fund size	SEKm 7,406
Number of holdings	30
Management Fee	1%+20% variable on any excess return
Ongoing costs*	1.4%
Performance fee	20% of any excess return
Return threshold	SIX Portfolio Return Index
ISIN	SE0002686584
Trading frequency	Daily
Minimum investment amount	SEK 100
PPM number	490292
Supervisory authority	Finansinspektionen
LEI	549300W8FUNESQQE9448

* 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).

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. In 2022, Lannebo changed data provider.

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.