

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 www.lannebofonder.se. Please note that Lannebo Fonder 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's investment policy

Lannebo Sverige is an actively managed equity fund that invests in shares on the Swedish equity market.

The fund targets those who:

- want to take part in developments on the Swedish equity market
- want an actively managed fund with investments based on a clear understanding of each individual company

Fund manager comment

The Stockholm Stock Exchange finished January on a high note. Q4 earnings reports released so far testify to improved demand. Notably, several companies highlighted that demand in China had strengthened due to government stimulus. Markets seem to have adapted to an environment with some inflation following the US presidential election, and investors now depend less on the world's central banks when investing. This has resulted in rising interest rates on long-term government bonds. Up to now financial markets have focused on Donald Trump's expansionary economic policies, rather than on his protectionist initiatives that risk suppressing international trade long-term.

Lannebo Sverige increased by 1.0 per cent during January, while the Stockholm Stock Exchange, measured as SIXPRX, increased 1.2 per cent. The World Index (MSCI AC World) increased during the same period by 1.3 per cent, and in the US, the S&P 500 increased by 1.9 per cent. The Euro STOXX 50 index decreased by 1.7 per cent.

SKF, Volvo and Tele2 were holdings that performed better than the overall market with price gains of around five per cent. SKF and Volvo increased on improved economic indicators, and Tele2 increased following the release of quarterly earnings that topped market expectations.

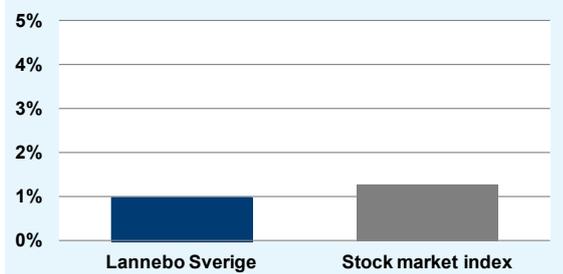
Nobia, Net Insight and AstraZeneca performed significantly worse than the overall market, with price declines of between 6 and 7 per cent. Astra Zeneca's negative performance was likely due to uncertainties regarding how to interpret results of the company's drug studies within immune oncology.

The holdings in Atlas Copco, SKF and Swedbank were increased. The holdings in

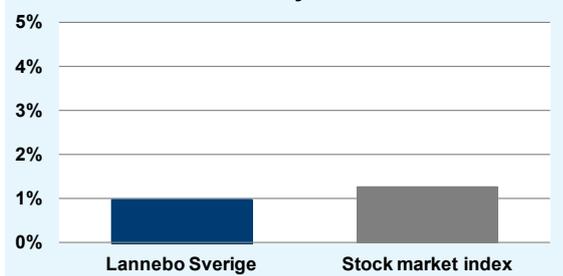
SEB and Investor were decreased, while the holding in Eltel was divested in its entirety.

The central bank's expansionary monetary policies have, to some extent, led to real economic improvement. Above all, consumption has been stimulated while the willingness for corporate investments remains limited. We currently find the equity market divided. Companies that can demonstrate stability, combined with some growth, are at present valued in a way that makes it notably challenging to achieve returns in the medium term. However, market expectations are considerably more modest for companies that have weaker demand short term. This is also where we find the most interesting investments.

Performance for the month



Performance year-to-date



Performance, %	Lannebo Sverige	Stock market index
January 2017	1.0	1.2
Year-to-date 2017	1.0	1.2
3 years	53.6	44.5
5 years	102.7	100.5
10 years	111.3	105.0
Since inception (08/04/2000)	331.7	218.6
Average annual return 24 months	8.1	7.0

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
1.0					
Jul	Aug	Sep	Oct	Nov	Dec

Annual performance, %	Lannebo Sverige*	Stock market index
2016	11.0	9.6
2015	13.0	10.5
2014	19.4	15.9
2013	24.9	28.0
2012	15.9	16.7

* The annual performance of the fund is calculated from the NAV per unit in the final accounts.

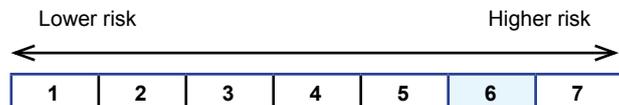
10 largest holdings

	% of the portfolio
H&M B	9.5
Volvo B	7.4
Nordea	7.2
Swedbank A	5.7
Investor B	5.2
Electrolux B	4.5
Atlas Copco B	4.2
AstraZeneca	4.2
Saab B	4.2
SEB A	4.0
Total 10 largest holdings	56.2
Cash	9.0
Total number of holdings	21

Major changes during the month

Buy	Sell
Atlas Copco	SEB
SKF	Investor
Swedbank	Eltel

Risk and reward profile



Fund facts

Fund manager	Lars Bergkvist & Martin Wallin
Launch date	08/04/2000
NAV per unit, SEK	32.49
Fund size, SEK millions	4,384
Management fee	1.6%
Bankgiro	5563-4604
ISIN	SE0000740680
Trading frequency	Daily
Minimum investment amount	100 SEK
PPM number	806 869
Supervisory authority	Finansinspektionen

Sector allocation



Financial ratios	Lannebo Sverige	Stock market index
Sharpe ratio	0.6	0.6
Total risk, %	15.1	14.2
Tracking error	5.2	
Information ratio	0.2	
Alfa	0.1	
Beta	1.0	
Active share, %	56	
Portfolio turnover ratio 12/31/2016	1.1	

Explanations

Stock market index	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	A measure of the fund's return taking into account the total risk the fund has had during the period. Calculated as the ratio between the fund's return minus the risk-free rate of return and the fund's total risk (standard deviation). The information is based on monthly data and relates to the latest 24 months.
Total risk	Given as the standard deviation of variations in the total return of the fund or index. The information is based on monthly data and relates to the latest 24 months.
Tracking error	A measure that describes how closely the performance of the fund tracks the performance of the benchmark index. Calculated as the standard deviation of the difference between the return on the fund and a benchmark index. The information is based on monthly data and relates to the latest 24 months.
Information ratio	A measure of risk-adjusted return. This is measured as the active return divided by the portfolio's active risk. The information is based on monthly data and relates to the latest 24 months.
Alpha	Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the extra return which an investor receives for having taken greater risks than the market. The information is based on monthly data and relates to the latest 24 months.
Beta	Describes the sensitivity of the fund's value to changes in the market's value. The beta value reports how much the fund's value changes in percentage terms when the market's value changes by one percentage point. The information is based on monthly data and relates to the latest 24 months.
Active share	A measure of the proportion of the portfolio that differ from the benchmark.