

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 was weak in July and was one of the worst performing markets during the month. Most larger companies released Q2 earnings reports during the period. In many cases, companies failed to deliver on the high expectations for order intake and forward-looking statements, resulting in large negative share price reactions. Notable on the macro front was the strong Swedish GDP growth for Q2 at 4 per cent on a yearly basis, while at the same time the Riksbank continued to pursue an extremely expansionary monetary policy. The GDP figure resulted in the Swedish krona strengthening against other currencies.

Lannebo Sverige decreased by 3.8 per cent during July, while the benchmark index SIXPRX decreased 3.0 per cent. The World Index (MSCI AC World) increased during the same period by 1.5 per cent, and in the US, the S&P 500 increased by 2.1 per cent. The Euro STOXX 50 Index increased by 0.3 per cent.

Tele2 and Swedbank were holdings that performed better than the overall market with share price gains of 9.0 and 3.0 per cent respectively. Tele2 reported strong earnings and a positive outlook. Swedbank also presented a result that exceeded market expectations.

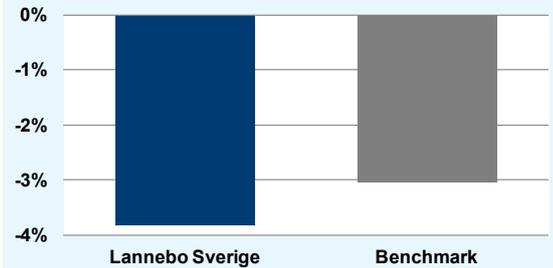
Ericsson, AstraZeneca and SAAB performed worse than the overall market, with price declines of 13.11 and 10.0 per cent respectively. Ericsson's share price declined following a disappointing earnings report and a weak market outlook. The AstraZeneca share price fell following the disclosure of the disappointing results of the so-called Mystic study.

SAAB presented an earnings result that was worse than expected, leading the share price to decline even though the company maintained its full-year outlook.

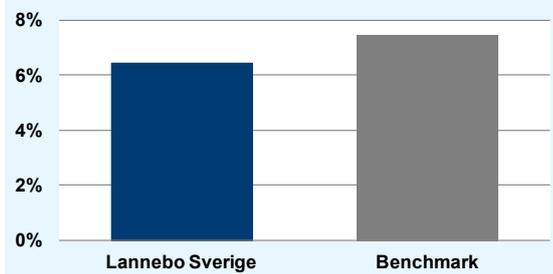
Only minor adjustments to the fund's holdings were made during the month.

Central bank expansionary monetary policies have, to some extent, led to real economic improvements. Above all, consumption has been stimulated while the willingness for corporate investments remains limited, although this is increasing. However, following the US presidential election, equity market developments indicate expectations of a significant increase in the willingness to invest. According to our estimates expectations have rallied a little too much, and we therefore reduced our exposure to economically sensitive shares.

Performance for the month



Performance year-to-date



Performance, %	Lannebo Sverige	Benchmark
July 2017	-3.8	-3.0
Year-to-date 2017	6.4	7.5
3 years	41.9	38.7
5 years	114.3	102.2
10 years	113.5	101.0
Since launch (08/04/2000)	355.0	238.1
Average annual return 24 months	6.8	6.1

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
1.0	2.5	3.0	3.7	2.7	-2.5
Jul	Aug	Sep	Oct	Nov	Dec
3.8					

Annual performance, %	Lannebo Sverige*	Benchmark
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	9.1
Volvo B	8.1
Swedbank A	7.1
Autoliv SDB	7.0
Nordea	6.7
AstraZeneca	4.3
Stora Enso R SEK	4.1
SEB A	4.0
Swedish Orphan Biovitrum	3.7
Telia	3.6
Total 10 largest holdings	57.8
Cash	8.5
Total number of holdings	23

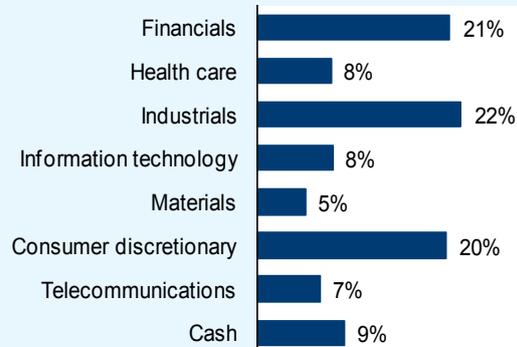
Major changes during the month	
Buy	Sell

Risk and reward profile



Fund facts	
Fund manager	Lars Bergkvist & Martin Wallin
Launch date	08/04/2000
NAV per unit, SEK	34.25
Fund size, SEK millions	4 504
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	Benchmark
Sharpe ratio	0.6	0.6
Total risk, %	14.2	12.6
Tracking error	4.6	
Information ratio	0.1	
Alfa	0.0	
Beta	1.1	
Active share, %	58	
Portfolio turnover ratio 06/30/2017	1.0	

Explanations

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.
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.