

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 Plus is an actively managed equity fund that primarily invests in shares on the Swedish stock market. The fund is similar to a traditional equity fund, but with more flexible investment rules. The "Plus" label reflects the fund's ability to invest more than 100 per cent of the fund's assets. For example, the fund can invest 130 per cent in shares that the fund managers are positive about and balance this by reducing its equity exposure by 30 per cent through the sale of shares that the fund does not own, i.e. short selling.

The fund targets those who:

- want a Swedish equity fund with greater opportunities
- want an actively managed fund with investments based on a clear understanding of each individual company

Fund manager comment

The Stockholm Stock Exchange continued to move higher during October with an increase of 2.1 per cent (SIXPRX), and macro data continued to be supportive in both the US and the Eurozone. For example, the PMI in the US increased from 58.8 to 60.8. Several Chinese purchasing indices also indicate expansion. The political situation in Spain is turbulent after a majority of Catalonians voted "yes" to independence. Despite continued economic growth, 10-year government bond rates fell back. Several major companies on the Stockholm Stock Exchange released earnings during the month, with companies in the industrial and pulp & paper sectors generally reporting strong earnings.

Lannebo Sverige Plus increased by 1.0 per cent during October, while the benchmark index SIXPRX increased 2.1 per cent. The World Index (MSCI AC World) increased during the same period by 2.6 per cent, and in the US, the S&P 500 increased by 2.3 per cent. The Euro STOXX 50 Index increased by 2.3 per cent.

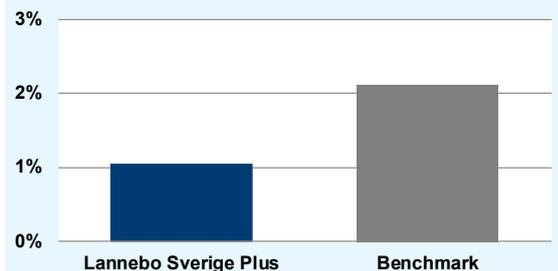
Tele2, Stora Enso and Ericsson were holdings that performed substantially better than the overall market with share price gains of 14, 14 and 13 per cent, respectively. Tele2's third quarter report was better than expected with a positive development in the Netherlands and an increased cash flow. Stora Enso reported a solid operating profit together with a historically high return on capital employed of 13.9 per cent. Ericsson's adjusted operating profit was better than expected, and the company dismissed the need for a new share issue.

Nokia, Nobia and Nordea performed worse than the overall market. Nokia sees a tougher market in 2018, while organizational changes and the transformation of Alcatel-Lucent customers has cost more than expected. Nobia reported negative organic sales growth, while operating profits were in line with expectations. Nordea disappointed the market with continued increasing costs.

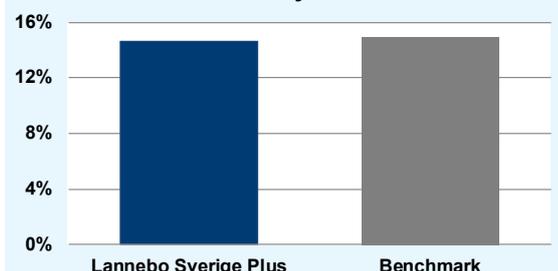
The holdings in Sandvik and Swedbank were increased, while the holdings in AtlasCopco, Stora Enso and Danske Bank were decreased.

Central banks 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 more recently the willingness to invest has increased. However, developments in the equity market this year indicate expectations of a significant increase in investments. According to our estimates expectations are high, and we therefore reduced our exposure to cyclically sensitive shares.

Performance for the month



Performance year-to-date



Performance, %	Lannebo Sverige Plus	Benchmark
October 2017	1.0	2.1
Year-to-date 2017	14.6	14.9
3 years	53.4	45.3
5 years	146.5	117.2
Since launch (12/11/2008)	384.6	298.0
Average annual return 24 months	12.8	11.9

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
1.3	2.7	3.2	3.5	2.7	-2.5
Jul	Aug	Sep	Oct	Nov	Dec
-3.6	-1.6	7.5	1.0		

Annual performance, %	Lannebo Sverige Plus*	Benchmark
2016	13.3	9.6
2015	13.4	10.5
2014	23.4	15.9
2013	28.2	28.0
2012	17.3	16.7

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

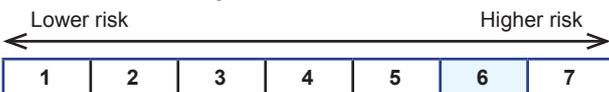
10 largest holdings

	% of the portfolio
H&M B	8.4
Nordea	7.5
Volvo B	7.3
Autoliv SDB	6.7
Telia	5.8
ABB	4.7
Skanska B	4.7
Swedbank A	4.6
Investor B	4.6
AstraZeneca	4.6
Total 10 largest holdings	58.8
Cash	9.6
Total number of holdings	28

Major changes during the month

Buy	Sell
Sandvik	AtlasCopco
Swedbank	Stora Enso
	Danske Bank

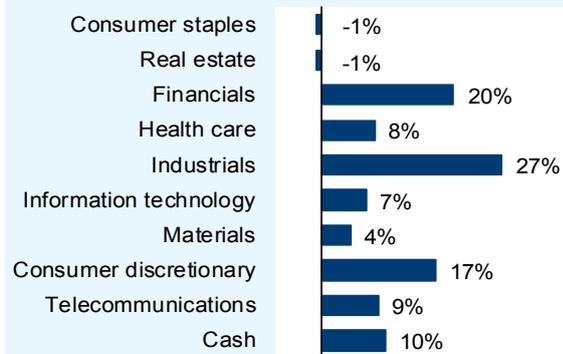
Risk and reward profile



Fund facts

Fund manager	Martin Wallin
Launch date	12/11/2008
NAV per unit, SEK	47.24
Fund size, MSEK	7,965
Management fee	1.0% + 20% of any excess return
Return threshold	SIX Portfolio Return Index
Bankgiro	346-3585
ISIN	SE0002686584
Trading frequency	Daily
Minimum investment amount	100 SEK
PPM number	490 292
Supervisory authority	Finansinspektionen
LEI	549300W8FUNESQQE9448

Sector allocation



Financial ratios

	Lannebo Sverige Plus	Benchmark
Sharpe ratio	1.0	1.2
Total risk, %	13.4	10.8
Tracking error	4.6	
Information ratio	0.2	
Alfa	-0.1	
Beta	1.2	
Active share, %	61	
Gross equity exposure, %	99	
Net equity exposure, %	90	
Portfolio turnover ratio 06/30/2017	1.8	

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.