

**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.lannebo.se](http://www.lannebo.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 is suitable for 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 went higher in March due to the market's continued risk appetite. Weaker macro-economic indicators pressured already defensive central banks, resulting in falling interest rates. The US Fed signaled a change in the path for its key rate from an expectation of two rate increases during 2019 to a hold. The Chinese government, once again, introduced economic stimulus through private tax relief and postponed import duties. This is due to the country's weaker export figures and the uncertain outcome of a US trade agreement. The various twists and turns around Swedbank continued, which pressured share prices in the sector. The extent of the suspected money laundering is unclear, and the on-going independent investigations are expected to give a more objective description of events than has been described in the media thus far.

Lannebo Sverige decreased by 1.5 per cent in March, while the benchmark index, SIXPRX, increased by 1.1 per cent. The World Index, MSCI AC World, increased by 1.6 per cent, and in the US the S&P 500 increased by 1.9 per cent. The Euro STOXX 50 increased by 1.9 per cent.

H&M, Volvo and Telia performed better than the stock market as a whole, with share price increases of 11, 8 and 5 per cent respectively. The H&M quarterly report disclosed a gross margin improvement from 49.9 to 50.0, while the operating margin was historically low at 2 per cent. Sales in local currencies increased by 4 per cent, with strong growth in China, Sweden and the UK. Further, the internal improvement work continues. The Chinese market was stronger than expected for Volvo at the start of 2019, with an increased demand

for excavators as well as an increased utilization rate. In the near term, Volvo will open the order book for 2020, where fulfillment becomes an important data point. Telia held a Capital Markets Day in March. The company confirmed its guidance on cash flow for the full year, while lowering expectations for the first six months of 2019. Price increases and continued cost reductions will be the driving force behind rising profits. An EU approval is expected for the Bonnier transaction; Bonnier Broadcasting delivered an EBITA of SEK1.0bn for 2018, where TV4 contributed SEK 1.4bn.

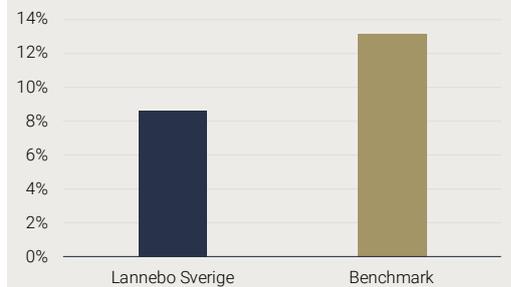
Veoneer, Swedbank and Autoliv under-performed the market as a whole with share price declines of -23, -13 and -10 per cent respectively. The Veoneer share price declined sharply following weaker car sales in China during the year - down 17 per cent in January and February compared with the previous year. The company's current product portfolio benefits from the market's shift to cars with a lower degree of self-driving capabilities. Swedbank continued to be pressured on suspected money laundering and misleading communications with US authorities. The media reporting has been critical and in several instances the bank has not been able to respond. Autoliv is affected by the slowdown in global car production. However, the company continues to gain market share and is expected to deliver increasing operating margins in the coming years.

In March, the fund invested in Loomis, Nordea and ABB, while the holdings in Telia, Tele2 and Sandvik were reduced.

### Monthly performance



### Performance year-to-date



Performance (%)	Lannebo Sverige	Benchmark
March 2019	-1.5	1.1
Year-to-date 2019	8.6	13.2
3 years	30.2	34.4
5 years	59.9	58.3
10 years	323.6	323.4
Since launch (08/04/2000)	396.1	272.6
Average annual return 24 months	4.4	5.5

### Monthly performance (%)

Jan	Feb	Mar	Apr	May	Jun
6.6	3.4	-1.5			
Jul	Aug	Sep	Oct	Nov	Dec

Annual performance (%)	Lannebo Sverige	Benchmark
2018	-1.2	-4.4
2017	7.4	9.5
2016	11.0	9.6
2015	13.0	10.5
2014	19.4	15.9
2013	24.9	28.0

The performance in the table above is based on closing prices.

## 10 largest holdings

Holding	% of the fund
Investor B	7.3
H&M B	6.8
AstraZeneca	6.5
Volvo B	6.2
Electrolux B	5.2
ABB	4.8
Nordea	4.4
Securitas B	4.3
Telia	4.0
Essity B	3.9
Total 10 largest holdings	53.5
Cash	7.1
Total number of holdings	26

## Major changes during the month

Buy	Sell
Loomis	Telia
Nordea	Tele2
ABB	Sandvik

## Financial ratios

	Lannebo Sverige	Benchmark
Sharpe ratio	0.5	0.6
Total risk (%)	12.8	12.4
Tracking error	4.2	
Information ratio	-0.3	
Alpha	-0.1	
Beta	1.0	
Active share (%)	59	
Portfolio turnover ratio (12/31/2018)	1.3	

## 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

Sharpe ratio is a measure of risk adjusted return. Calculated as the ratio of the fund's excess return above the risk-free rate of return and the fund's total risk.

### Total risk

Given as the standard deviation of variations in the total return of the fund or index.

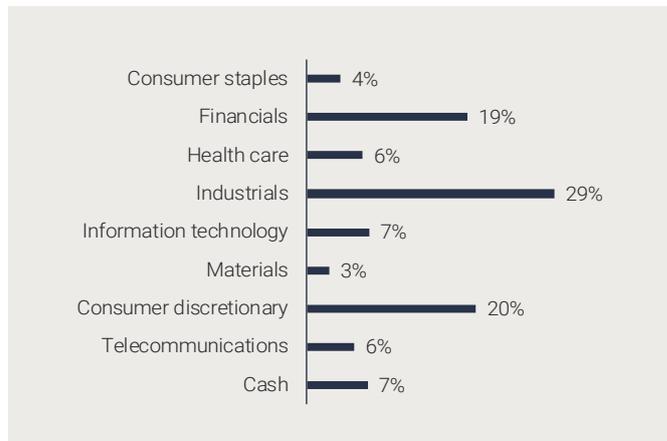
### Tracking error

Tracking error is 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.

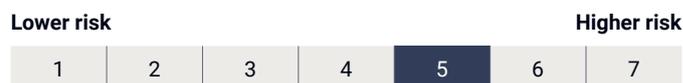
### Information ratio

A measure of risk-adjusted return. This is measured as the active return divided by the portfolio's active risk.

## Sector allocation



## Risk and reward profile



## Fund facts

Fund manager	Martin Wallin & Robin Nestor
Launch date	08/04/2000
NAV per unit (SEK)	37.34
Fund size (SEKm)	3,290
Management fee	1.6%
Bankgiro	5563-4604
ISIN	SE0000740680
Trading frequency	Daily
Minimum investment amount	SEK 100
PPM number	806,869
Supervisory authority	Finansinspektionen
LEI	549300GJSC541WIWX079