

# Fastighet

## Swedbank Robur Fastighet

### Semi-Annual Report 2020

Manager: Fredrik Mattsson  
 Fund company: Swedbank Robur Fonder AB  
 Type of fund: Equity funds  
 Launch date: 3/10/1988

Share classes open to trading: A  
 Benchmark index: 75% MSCI World Real Estate Net, 25% SIX Fastigheter Return  
 Base currency: SEK

#### Risk indicator



The fund's 5 largest holdings	Market value, tSEK	% of fund
American Tower	474,853	8.9
ProLogis	430,718	8.1
Fastighets Balder B	356,900	6.7
Sagax B	301,920	5.7
Digital Realty Trust	232,607	4.4

#### Investment policy

Real estate is an actively managed equity fund that mainly invests in companies targeting the real estate sector such as real estate companies, brokers or construction companies in Sweden and abroad. The fund also has the opportunity to invest in other companies that have predominantly real assets, such as forest and power companies. The fund has an active investment strategy that focuses on company choices within the aforementioned investment policy. The fund has long-term investment horizon and selects companies that are considered attractively valued in relation to their future earning potential. The fund complies with the fund company's policy for responsible investments, further information can be found in the fund's information brochure.

#### The fund's development

In the first six months of 2020, the fund fell by -13.5%. The benchmark index fell by -15.6% during the same period.

The fund invests globally in shares that are deemed to be undervalued and the investments are also made widely across regions to give the fund a good risk diversification.

Among the holdings that contributed strongly to the absolute return are American Tower, Prologis and Digital Realty. American Tower, along with Nippon Prologis, also contributed strongly to the fund's return in the relative benchmark index. American Tower owns telecommunications towers on a global basis and Nippon Prologis is a Japanese company that owns logistics properties.

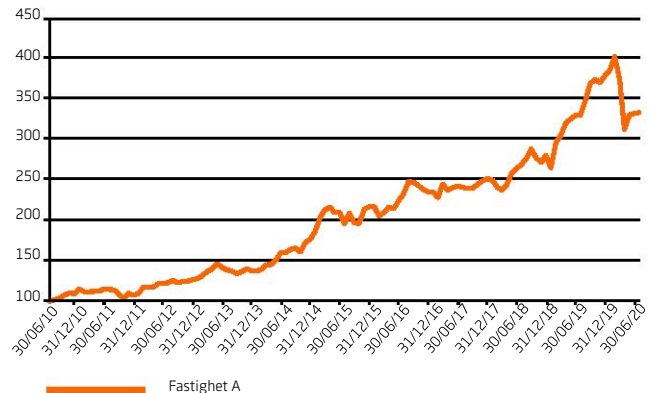
The fund's relative return also benefited greatly from the fact that the fund did not have a holding in Unibail-Rodamco-Westfield.

The companies that contributed the least to the absolute return include Brookfield Property Partners, Balder and Boston Properties. Brookfield Property, together with Crown Castle, made a strong negative contribution to the relative return, together with the fund's lack of holdings in the data centre company Equinix.

#### Market performance

When concerns about the spread of Covid-19 took off in February, there was a lot of turbulence in the financial markets. Subsequently, significant price falls followed on the stock exchanges and real estate companies were no exception. In mid-March, however, the market began to recover, although at the end of the half year returns remained negative for most real estate companies. In general, it can be said that real estate companies with a clear connection to hotels, the service industry and the retail trade were most negatively affected. The companies that generally fared better were companies with properties focused on logistics, housing, data centres or telecommunications towers.

#### Price trends



What will happen to the world economy in the future during the Covid-19 pandemic is, of course, highly uncertain as is how the real estate companies may be affected. However, it seems that most states want to be active in trying to mitigate the economic impact, but it will take time to see what impact the measures will have.

#### Other

The fund may use derivative instruments including OTC derivatives in its investment policy. The fund did not invest in any derivatives for the period. The fund may use techniques and instruments but has not made use of the possibility. According to Swedbank Robur's internal rules, the lending of securities is not permitted. There have been no conflicts of interest in connection with the fund's investments.

## Share classes

The fund has 22 share classes, of which only class A, is currently open for trade. Share class A pays no dividends and is traded in SEK. Other share classes are not currently open for trade. The various share classes differ with regard to fees, dividends, threshold for subscription charges, currency for subscription and redemption plus specific terms and conditions for distribution. The units in a share class have equal rights to the assets in the fund. More information on the fund's unit classes can be found in the information brochure.

Key investor information	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Fund assets, tSEK	5,306,351	7,392,928	3,867,830	3,690,655	3,852,819	3,577,701	2,996,904	1,957,866	1,835,672	1,513,501
Share value class A, SEK	53.72	62.40	42.94	40.50	38.00	35.13	30.14	22.21	20.73	18.31
Number of class A outstanding units, thousands	98,787	118,473	90,084	91,118	101,381	101,855	99,440	88,169	88,568	82,638
Dividend class A SEK per share	-	-	-	-	-	-	-	-	0.63	0.50
Fund return closing price (incl div) class A, %	-13.5	45.3	6.0	6.6	8.2	16.5	35.7	7.1	16.7	-4.5
Benchmark index (incl div) class A, %	-15.6	37.1	5.1	6.0	10.4	13.2	39.2	6.3	21.7	-7.2

## Holdings and positions in financial instruments as per 30 June 2020

Transferable securities on a regulated or equivalent market outside the EEA	Number / Nom	Market value, tSEK	% of fund
Real estate			98.3
American Tower (US)	200,000	474,853	8.9
Americold Realty Trust (US)	200,000	67,983	1.3
Aroundtown Property (LU)	1,000,000	53,455	1.0
Boston Properties (US)	161,000	134,128	2.5
Brookfield Property Partners (US)	900,000	83,237	1.6
Capita Land (SG)	1,380,100	26,919	0.5
CBRE Group (US)	326,000	135,551	2.6
Cheung Kong Property (HK)	684,100	38,019	0.7
Corem Property Group (SE)	7,000,000	124,950	2.4
Corem Property Group (SE)	951,000	16,738	0.3
Corestate Capital (LU)	75,000	14,191	0.3
Crown Castle (US)	105,156	160,779	3.0
CyrusOne REIT (US)	151,400	102,460	1.9
Digital Realty Trust (US)	178,000	232,607	4.4
Echo Investment (PL)	2,000,000	17,869	0.3
EPR Properties (US)	112,000	34,123	0.6
Equity LifeStyle Properties (US)	265,000	153,546	2.9
Far East Consortium International (HK)	8,000,000	24,347	0.5
Fastighets Balder B (SE)	1,000,000	356,900	6.7
FastPartner (SE)	2,234,964	154,883	2.9
GPT (AU)	1,750,000	46,773	0.9
Grand City Properties (LU)	500,000	107,476	2.0
Grand City Properties Right of Subscription (LU)	500,000	3,664	0.1
Howard Hughes (US)	40,000	19,608	0.4
Katitas (JP)	400,000	86,374	1.6
Kenedix (JP)	750,000	34,468	0.6
Kenedix Office Investment (JP)	1,200	62,418	1.2
K-fast (SE)	190,467	47,921	0.9
Klövern A (SE)	583,772	8,873	0.2
Klövern B (SE)	4,300,000	62,866	1.2
Life Storage REIT (US)	73,100	64,043	1.2
Link Reit (HK)	1,229,300	93,679	1.8
Mapletree Logistics Trust (SG)	4,500,000	58,314	1.1
MCUBS Midcity (JP)	6,000	40,608	0.8
Mid-American Apartment Comm REIT (US)	160,000	167,522	3.2
Mirvac (AU)	5,700,000	79,279	1.5
National Health Investors (US)	110,000	61,403	1.2
National Storage Affiliates Trust (US)	200,000	53,271	1.0
New World Development (HK)	1,500,000	66,401	1.3
Nippon Prologis REIT (JP)	5,400	153,293	2.9
Nyfosa (SE)	2,355,461	147,923	2.8
ProLogis (US)	500,000	430,718	8.1
Sagax (SE)	500,000	65,250	1.2
Sagax B (SE)	2,400,000	301,920	5.7
SL Green Realty (US)	85,000	39,147	0.7
Sun Hung Kai Properties (HK)	326,673	38,884	0.7
UOL Group (SG)	680,000	30,842	0.6
Wihlborg Fastigheter (Real Estate) (SE)	1,000,000	152,000	2.9
WP Carey (US)	149,000	93,348	1.8
		5,025,823	94.7

	Number / Nom	Market value, tSEK	% of fund
Finance			
Ichigo Group Holdings (JP)	2,000,000	46,736	0.9
		46,736	0.9
Industrials			
Taisei (JP)	165,000	55,979	1.1
		55,979	1.1
Utilities			
Brookfield Renewable Partners (CA)	200,000	88,581	1.7
		88,581	1.7
Other financial instruments			0.0
Real estate			
BGP (MT)	2,381,342	0	0.0
		0	0.0
Total financial instruments with positive market value		5,217,119	98.3
Total financial instruments with positive market value		0	0.0
Total financial instruments		5,217,119	98.3
Net other assets and liabilities		89,232	1.7
Fund assets		5,306,351	100.0

## Fund facts

Risk and performance measures	30/06/20
Standard deviation fund, %	18.6
Standard deviation benchmark index, %	19.0
Active share, %	64.9
Tracking error, %	2.2
Average annual yield 2 years, %	
*Share class A	11.3
Average annual yield 5 years, %	
*Share class A	11.2
External comparison	30/06/20
Morningstar fund type	Industry fund, real estate companies
Morningstar fund ratings	5 of 5
Expenses	30/06/20
Management fee as % of average fund assets*	
-Share class A	1.25
Transaction costs, tSEK*	1,562
Transaction costs as a % of traded securities*	0.04
Annual charges, %	
-Share class A	1.25
Management costs in SEK. Savings amount SEK 10 000*	
-Share class A	137
Management costs in SEK. Savings amount SEK 100/month*	
-Share class A	8.05
Turnover	30/06/20
Turnover rate, times/year	0.3
Derivative instrument	30/06/20
Highest derivative gross exposure, %	0.0
Lowest derivative gross exposure, %	0.0
Average derivative gross exposure, %	0.0
Purchase and sale of financial instruments	30/06/20
Turnover through affiliated securities institutions, %	6.2

Purchase and sale of financial instruments	30/06/20
Turnover through funds managed by Swedbank Robur Fonder AB, %	2.8

Rounding differences can occur

See explanations in the glossary at [swedbank.se/fonder](http://swedbank.se/fonder)

\* Based on previous 12 months.

## Corporate and group exposure

Company/Group	% of fund
Grand City Properties SA	2.1

## Statement of financial position

Assets, tSEK	30/06/20	31/12/19
Negotiable securities	5,217,119	7,260,280
Total financial instruments with positive market value	5,217,119	7,260,280
Cash assets and other liquid assets	73,873	112,782
Prepaid expenses and accrued income	106	70
Other assets	16,161	21,336
Total assets	5,307,259	7,394,467
Liabilities, tSEK	30/06/20	31/12/19
Accrued costs and prepaid income	907	1,540
Total liabilities	907	1,540
Fund assets	5,306,351	7,392,928
Change of fund assets, tSEK	30/06/20	
Fund holdings at the beginning of the year	7,392,928	
Unit issue	1,201,093	
Unit redemption	-2,263,017	
Profit for the year according to the profit/loss statement	-1,024,652	
Fund assets at year-end	5,306,351	

## Description of benchmark index

The fund's benchmark index provides a relevant reference in relation to the fund's investment policy, type of assets, markets and, where relevant, industries. The benchmark index return includes dividends taking into account the tax effects (net dividend).

## Risk assessment method

The fund company measures the total exposure of the fund using the commitment approach on a daily basis. The commitment approach calculates the fund's global exposure from using derivatives. This calculation involves converting derivative positions into a comparable position in the underlying assets of the derivative. A delta calculation is also done for options and similar. When calculating total exposure, the fund company considers netting and hedging.

## Portfolio risks

Equity funds normally have higher potential for long-term value growth. But any investment in an equity fund also has a high risk, as share prices may fluctuate significantly in equity markets. Material risks in the fund that are not fully reflected in the risk/return indicator are:

- Concentration risk. The limitation to only one type of business means that risk is greater than when investing in a broader fund. The investments will be spread across different geographical markets, most of which are established and mature markets, which reduces the risk.
- Currency risk. A significant proportion of fund assets are invested in securities denominated in currencies other than Swedish krona, the fund is therefore affected by currency exchange rate changes.
- As the fund invests in derivatives to some extent, the fund risk profile is affected to a certain extent.

### **Withholding tax**

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There is some uncertainty in different countries about how much tax Swedish funds should pay on dividends on foreign shares. Swedbank Robur monitors developments in each individual country and reports and pays taxes according to the prevailing view at any given time. The assessment in different countries may change and Swedbank Robur will adjust the accounting and payment according to current practice. Swedbank Robur's view is that in most cases the fund is entitled to a reduction under agreement, internal local law or EU law.

### **Accounting principles**

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This half-yearly report has been prepared as regulated by the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, ESMA's guidelines, and takes into account the guidelines for accounting for key performance indicators regarding mutual funds and special funds issued by the Swedish Investment Fund Association.

### **Valuation principles**

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The fund's financial instruments including liabilities and derivatives are valued at market value corresponding to the trade price on the balance sheet date (30 June 2020). If the closing day is not a trading day, the valuation from the last trading day prior to the closing day is used. If the valuation cannot be obtained, or is misleading as so deemed by the fund company, valuation may be made according to generally accepted valuation principles.

The Board of Directors and the Chief Executive Officer of Swedbank Robur AB hereby issue the half year report for 2020 Real Estate.

Stockholm, 17 August 2020

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Liza Jonson,  
CEO

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Chair

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Marianne Flink

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Lennart Jacobsen