



Carnegie Rysslandsfond invests in well-managed Russian companies.

- Focused portfolio with approximately 30 companies.
- The fund strives for low volatility and low turnover.
- Invests in companies with strong financial positions, low valuations and high dividend yields.

MANAGER COMMENT: Russian stock market rally and Paris agreement signed

The Russian market rose again in September. Its equities are among the best in emerging markets this year, and the trend continues.

However, valuations have not expanded much and the average dividend yield is still 7 percent. The main reasons for Russia's strength are better corporate governance in some major companies, the high dividends and a lower perceived sanction risk. The Russian market also gained support from higher oil prices after the attacks on Saudi Arabia. The higher risk premium from the attacks may even lead to higher oil prices in the longer term as there is a concern of more similar attacks.

Russia ratified the Paris agreement on September 23, and is preparing a number of climate laws. It is the world's fourth-largest greenhouse gas emitter and has many companies with very large emissions, but there is also much that can be done to reduce these relatively quickly. Russian businesses will be greatly affected. It is interesting that Russia's ratification leaves the US increasingly isolated on climate.

Stocks in Surgutneftegas rose sharply early in the

month when it turned out that it has established a new subsidiary to trade in securities. This led to speculation the company will start using its USD 51 billion cash pile to buy back shares, for example. This was denied but the share remained volatile.

Polymetal has signed a sustainability linked bond of USD 75 million. The company is ranked first by Sustainalytics among 47 major global mining companies for its environmental work and social responsibility.

Russia's finance minister, Alexej Moisejev, said in an interview that subsidiaries of state corporations would also be forced to pay 50 percent of profits as dividends, which could lead to higher dividends in, for example, Transneft and Inter RAO.

The Russian central bank reduced the repo rate by a further 25 basis points to 7 percent. Inflation is falling. Many analysts expect this trend to continue, and interest rates could fall to 5.5 percent by 2020 or 2021.

MONTHLY REPORT
SEPTEMBER 2019



FREDRIK COLLIANDER
Manager since 2000 and in the business since 1990.

Inception Date	27/10/1997
Pricing	Daily
Morningstar Rating (2019-09-30)	★★★
Risk Level	6 of 7
ISIN	SE0000429821
Bloomberg	BBG000HYBFH2

Management Fee	2.50%
Minimum Initial Investment	0 SEK
Assets Under Management	4 473 MSEK
Dividend	No
NAV (End of Month)	80.36 SEK

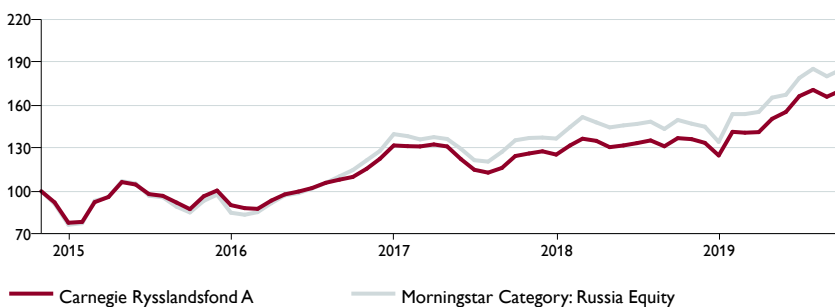
CUMULATIVE PERFORMANCE % (CLOSING NAV)

As of 30/09/2019

	YTD	1 Year	3 Years	5 Years	Since Inception
	36.1	24.1	54.7	68.7	725.6

FIVE YEAR PERFORMANCE % (CLOSING NAV)

As of 30/09/2019



MONTHLY PERFORMANCE % (CLOSING NAV)

As of 30/09/2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2019	13.17	-0.38	0.22	6.65	3.13	7.09	2.66	-2.81	2.53				36.13
2018	5.12	3.54	-1.13	-3.22	0.91	1.19	1.42	-3.02	4.37	-0.51	-1.97	-6.53	-0.48
2017	-0.38	-0.13	1.04	-1.05	-6.75	-6.06	-1.74	2.94	7.13	1.47	1.14	-1.77	-4.81

Signatory of:



FOR SWISS INVESTORS:

The Fund is established as a contractual Fund under Swedish law and is authorised by FINMA. The Swiss representative is Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva. The Swiss paying agent is Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva. Investors in Switzerland can obtain the documents of the Fund, such as the Prospectus, the KIIDs, the Fund Rules and the semi-annual and annual reports, each in their latest version as approved by FINMA, in German, and further information free of charge from the Swiss representative.

Historical returns are no guarantee of future returns. Money invested in the fund may both increase or decrease in value and there is no guarantee that you will be repaid all of your invested capital. Complete prospectus and fund statutes are available at www.carnegiefonder.se. The information in this document is proprietary to Morningstar and Carnegie Fonder and is intended only as general information. It should not be construed as investment advice or recommendation. The information may prove to be inaccurate, incomplete or out of date. Neither Morningstar nor Carnegie Fonder is responsible for the damage, whether direct or indirect result of any defects or errors in the information. The information may not be copied, altered or further distributed without Morningstar's consent



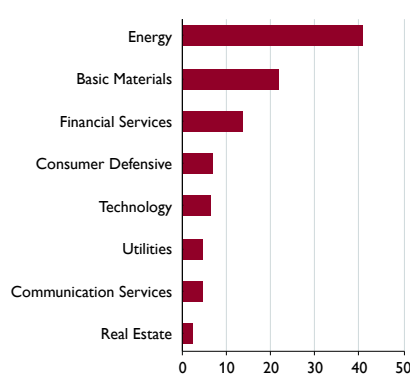
TOP HOLDINGS %

As of 30/09/2019

Gazprom Pjsc Ord	9.5
Sberbank Pjsc	9.4
Surgutnefteg-Prf	7.8
Novatek	7.0
X5 Retail	4.7
Lukoil Adr	4.7
Poly Int	4.4
Inter Rao Ues Pjsc	4.3
Alrosa Pjsc	4.0
Mobile Tel	3.7
Total	59.5

SECTOR ALLOCATION %

As of 30/09/2019



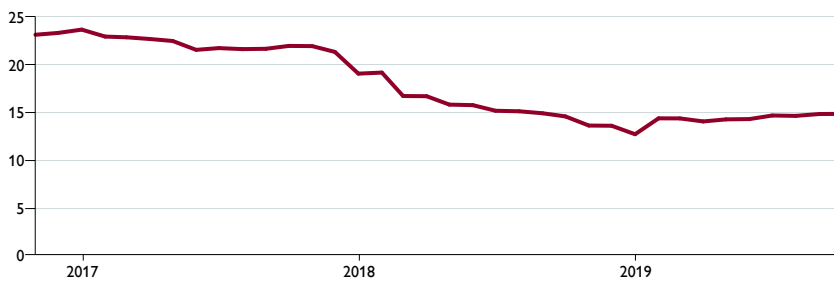
KEY STATISTICS

As of 30/09/2019

Number of Holdings	28
Turnover Rate, tms/year (31/12/2018)	0.56
Standard Deviation %, 1 Year	18.12
Standard Deviation %, 3 Years	14.83
Sharpe Ratio, 1 Year	0.60
Sharpe Ratio, 3 Years	0.63

STANDARD DEVIATION %

As of 31/10/2016 to 30/09/2019



TOP CONTRIBUTORS %

As of 31/12/2018 to 30/09/2019

	Resc. weight	Return	Contrib.
Gazprom Pjsc	9.7	87.3	7.2
Sberbank Of ...	9.9	48.0	4.7
Novatek Pjsc...	9.0	27.1	2.8
Polymetal In...	4.7	56.8	2.6
X 5 Retail G...	4.3	61.1	2.5

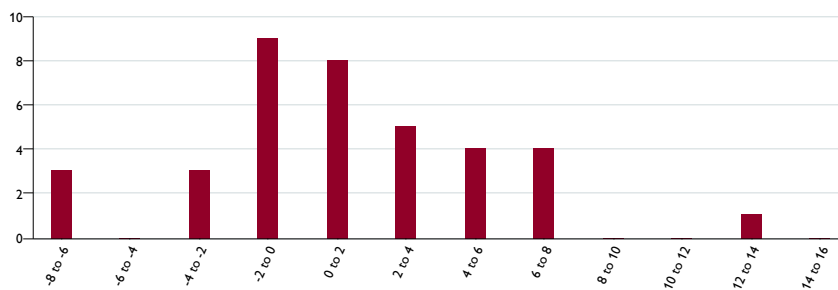
BOTTOM CONTRIBUTORS %

As of 31/12/2018 to 30/09/2019

	Resc. weight	Return	Contrib.
Alrosa Pjsc	4.1	-8.8	-0.6
Mail.Ru Grou...	2.0	5.0	0.1
Severstal Pj...	0.7	10.0	0.1
Hms Group Pl...	0.5	-15.3	-0.1
Mobile Teles...	0.3	15.2	0.1

DISTRIBUTION OF MONTHLY PERFORMANCE %

As of 30/09/2016 to 30/09/2019



The Y-axis shows the number of months the fund has a monthly return within the defined range on the X-axis.

ABOUT CARNEGIE FONDER

Our funds invest in a selected number of attractively valued assets that we really believe in – an investment philosophy we call focused value management, and which we have retained since our foundation in 1988.

CONTACT INFORMATION

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