



Carnegie Sverigefond believes in the continued success of quality Swedish companies.

- Focused portfolio with approximately 25-30 companies.
- Holdings have attractive balance sheets and good prospects of paying dividends to shareholders.
- The ideal company is "dull", well managed and has a strong market position.

MANAGER COMMENT: GOOD VALUE IN INDUSTRIVÄRDEN

August was a fairly good month for global stock markets, and Stockholm was no exception. Some days there was the usual worry of missing out on gains, and that in itself is unpleasant as it pushes up shares for the wrong reason.

We stand by our view that in the current interest rate environment we should have to expect lower returns on equities, which means shares rising by perhaps 4-5 percent per year rather than the 6-8 percent we have seen historically.

Looking at valuations, the Stockholm stock exchange is currently trading at 16-17 times earnings, which is also what the market is pricing in assuming that profits remain at current levels or rise a little.

The big news in August was, of course, that Industrivärden's streamlining continues and the cross ownership with Handelsbanken was resolved. This is gradually revealing value. Carnegie Sverigefond has long had a large holding in Industrivärden, and we feel confident about this, as we do with our holding in Lundbergs, where the market has calculated the property

portfolio far too low, thus not realising the value that exists.

In the wake of all this, SCA will also become two companies, focusing the spotlight on another of our core holdings, namely Holmen. We reiterate that owning 2 percent of Sweden's land area while receiving a high annual dividend is something that we cannot turn down in this interest rate environment.

We reduced our holding in Securitas during the month after fantastic price performance, and used the money to buy SKF. SKF is disliked and overlooked. People do not like its way of communicating and worry about competition from Japan, but it is easy to forget that it has a very low valuation of profits, that its debt continues to shrink and the dividend is around 4 percent.

We also increased our holding in Dometic, which benefits greatly from the growing motorhome market, and is combining organic growth with acquisitions. Add to this a low earnings multiple and extremely strong cash flow, and Dometic will probably also soon become a high-dividend stock.

-Simon Blecher

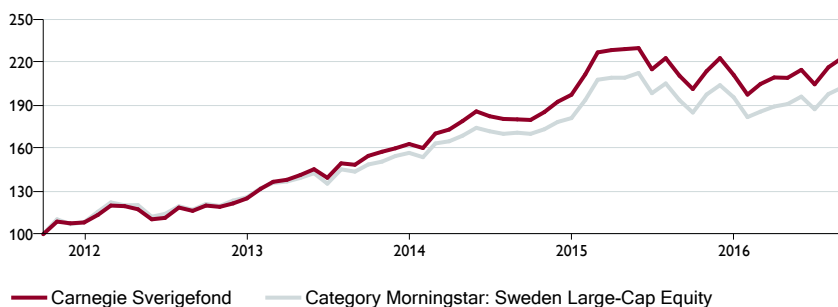
RETURN %

As of 31/08/2016

	YTD	1 Year	3 Year	5 Year	Since inception
	5.7	5.9	50.3	111.2	4007.0

5 YEAR RETURN %

As of 31/08/2016



RETURN PER MONTH %

As of 31/08/2016

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2016	-6.49	3.74	2.24	-0.13	2.68	-4.72	5.85	3.01					5.66
2015	7.19	7.29	0.72	0.28	0.33	-6.46	3.64	-5.52	-4.38	6.19	4.26	-5.31	7.01
2014	-1.74	6.35	1.64	3.41	3.78	-1.82	-1.03	-0.16	-0.25	3.08	3.87	2.53	21.09

**MONTHLY REPORT
AUGUST 2016**



SIMON BLECHER
Manager since 2006 and in the business since 2000.

Start date 08/01/1987
Pricing Daily
Morningstar rating (2016-08-31) ★★★★★
Risk level 6 of 7
ISIN SE0000429789
Bloomberg BBG000HY9630

Management fee 1.40%
Minimum initial investment 0 SEK
Asset under management 16 433 MSEK
Dividend No
NAV (End of month) 2177.80 SEK

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.

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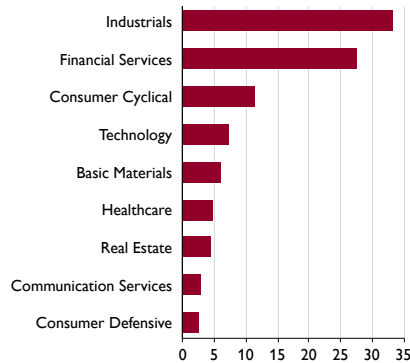
TOP HOLDINGS %

As of 31/08/2016

Hennes & Mauritz B	8.0
Nordea	6.6
Volvo B	6.2
Investor B	6.0
Holmen B	6.0
Atlas Copco B	4.7
Seb A	4.6
Lifco B	4.5
Atrium Ljungberg	4.4
Skanska B	4.0
Total	55.0

SECTOR BREAKDOWN %

As of 31/08/2016



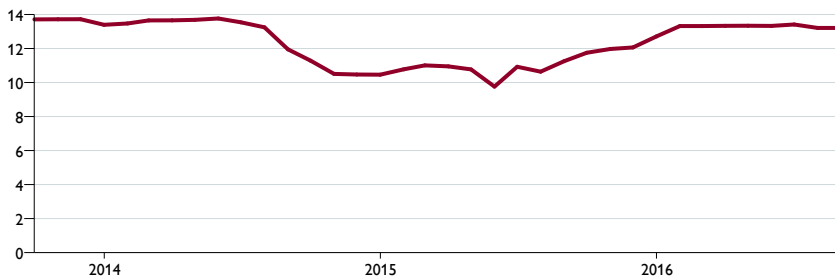
KEY STATS

As of 31/08/2016

Number of holdings	27
Turnover rate, tms/year (31/12/2015)	0.25
Standard Deviation %, 1 Year	15.97
Standard Deviation %, 3 Year	11.78
Sharpe Ratio, 1 year	0.40
Sharpe ratio, 3 Year	1.09

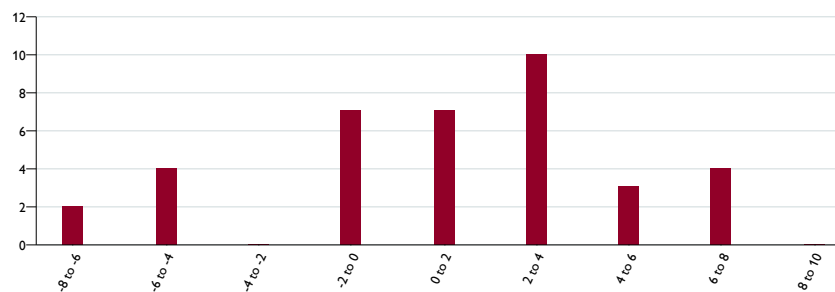
STANDARD DEVIATION %

As of 30/09/2013 to 31/08/2016



DISTRIBUTION OF MONTHLY RETURNS %

As of 31/08/2013 to 31/08/2016



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

LARGEST CONTRIBUTORS %

As of 31/12/2015 to 31/08/2016

	Resc. weight	Return	Contrib.
Sandvik Ab	4.3	29.3	1.2
Volvo Ab-B S...	6.0	20.5	1.1
Holmen Ab-B ...	6.1	19.0	1.1
Abb Ltd-Reg	4.2	26.2	0.9
Lifco Ab-B S...	4.5	19.5	0.8

SMALLEST CONTRIBUTORS %

As of 31/12/2015 to 31/08/2016

	Resc. weight	Return	Contrib.
Ericsson Lm-...	4.7	-22.4	-1.2
Hennes & Mau...	8.3	-10.5	-0.9
Autoliv Inc-...	3.3	-13.7	-0.6
Nordea Bank ...	6.8	-3.9	-0.4
Telia Co Ab	3.2	-4.9	-0.2

ABOUT CARNEGIE FONDER

We specialise in equity funds and fixed-income funds in Sweden, the Nordic region and in the world's emerging markets. 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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