

# Handelsbanken Latinamerika Impact Tema (A10 EUR)

The fund is actively managed and invests primarily in the Latin American and Central American markets. As a result, the fund has a currency exposure to these markets. The fund invests in companies whose business activities, products or services we consider have, or are expected to obtain, a positive impact on one or several of the 17 Sustainable Development Goals in Agenda 2030 that have been adopted by the UN's Member States. The thematic investment strategy means that investments are made in a limited area in which growth is expected to result in a structural change to the economy and society. This change provides good conditions to create profitable growth over the long term for companies operating within the thematic area. The fund is reported as an Article 9 fund pursuant to EU regulation 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR).

## Performance

08.10.2018

YTD	1 week	1 mth.	3 mån	1 year	5 years	10 years
0.93%	1.09%	1.16%	1.11%	0.87%	1.03%	2.18%

## Average performance

Average. perf.	2 years	3 years	5 years	10 years
Fund <sup>1</sup>	11.84%	3.60%	-	-
Index <sup>2</sup>	9.01%	-0.11%	-	-

<sup>1</sup> Calculated on the fund's monthly closing price

<sup>2</sup> Benchmark index: Solactive ISS ESG Latin America LMS UCITS Index NTR. The information in the table refers to the benchmark index valid at any given time. In the event the fund has previously had other benchmark indexes, this information can be found in the fund's annual report.

## Five years performance

## Fund manager



### Kristoffer Eklund

Experience in the fund industry 2008.  
Portfolio Manager since 1 January 2021.

Main category	Equity Fund
Risk	6
Rate	28.68 (08.10.2018)
Reporting Currency	EUR
Price/Trade	Daily
Total Rating™	
Minimum investment	10,000,000 EUR
Monthly savings	-
Traded on the Internet	No
Management Fee	0.6%
Entry charge	0%
Exit charge	0%
Fund assets	2,321 MSEK
Distribution per fund unit	-
Distribution date	-
Fund, date of launch	17.01.1994
Share class, date of launch	12.03.2018

## Portfolio



Stocks	98.17%	Brazil	53.26%
Bonds and Cash	1.83%	Mexico	32.99%
		Chile	7.08%
		Peru	4.80%
		United States	1.65%
		Other	0.22%

As of: 30.06.2024

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## Portfolio manager comments — Q2 2024

Fund performance was negative in Q2 primarily due to a weakening in the most important currencies: Brazilian real and Mexican peso. The quarter was marked by high volatility, driven mainly by political events. The Morena party won the Mexican election and received more seats than expected. As a result, the changes to the constitution now appear to be a clear possibility for the party. The market is troubled by a potential weakening of the Mexican democracy and a greater focus on power, especially with concern about judicial independence. We expect to see higher volatility in Mexico going forward, not least with the US election in the autumn. However, the actual risks are

limited by the strong economic links to the US. In Brazil, the market's confidence in the fiscal policy has decreased, and rate cuts have been pushed forward to the future as a result. We believe that the market's pricing is too negative, although the trend is negative. Consequently, the Brazilian equity market has been marked by further outflows and high volatility, which led to negative returns.

The pharmacy chain Fragua was the strongest contributor to returns as the company continues to deliver high-quality returns. The Chilean pension management company Habitat also contributed positively after political risks were priced out of the equity and the focus has returned to the strong fundamentals. On the negative side, the Mexican banks lagged due to market concerns about additional taxes and a weaker growth after the election. The short-term effects of the macro climate means that rate cuts are being pushed forward, which is positive for the banks' results. At the same time, we believe that the effects of a possible tax reform are relatively marginal. What is more worrying is a slowdown to the economy going forward. As a result, we chose to only make minor adjustments to the positions.

We slightly increased the investments in Peru through InRetail, which owns pharmacies as well as shopping centers and supermarkets. We significantly decreased the exposure to Fragua after strong returns. The Argentinian bank Galicia is a new holding in the portfolio. The initial effects of the political shift in Argentina are presumably priced in. The rapid decline to inflation and the stronger than expected support for the president led us to add the equity to the portfolio. The next step for the bank is to resume lending. For this to be possible, the economy needs to gain momentum and inflation needs to continue to slow down, which is probable due to the massive austerity measures that have been undertaken. We view Galicia as a leader in a market that is essentially devoid of credit products.

As of: 11.07.2024

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Historical yields are not a guarantee of future returns. A fund can both increase and decrease in value and it is not guaranteed that you will recover the entire invested amount. Note that a fund with risk level 5-7, as stated in the fund's fact sheet (KID), can vary greatly in value due to the fund's composition and management methodology. The prospectus, fund rules and KID are available under each fund. [Summary of investors' rights](#).

The fund's fact sheet, risk level, fund rules and prospectus are available at [www.handelsbanken.se/funds](http://www.handelsbanken.se/funds). Handelsbanken does not assume liability for any errors in the information.

[www.handelsbanken.se/funds](http://www.handelsbanken.se/funds)

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