

# Handelsbanken Brasilien Tema (A9 EUR)

The fund is an actively managed fund and invests mainly in equities in small and mid-sized companies in Brazil, that have the majority of their business operations in Brazil and that benefits from growth in the country. As a result, the fund has a currency exposure to these markets. The business operations of the companies shall target domestic demand. The thematic investment strategy provides for investments that occur in a limited area in which development is deemed to result in a structural change to the economy and society. This change provides favorable conditions for companies active within the area to create profitable growth over time. The fund is reported as an Article 8 fund pursuant to EU regulation 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR).

## Performance

22.07.2024

| YTD     | 1 week | 1 mth. | 3 mån  | 1 year  | 5 years | 10 years |
|---------|--------|--------|--------|---------|---------|----------|
| -14.94% | -2.67% | 2.16%  | -5.53% | -11.37% | -       | -        |

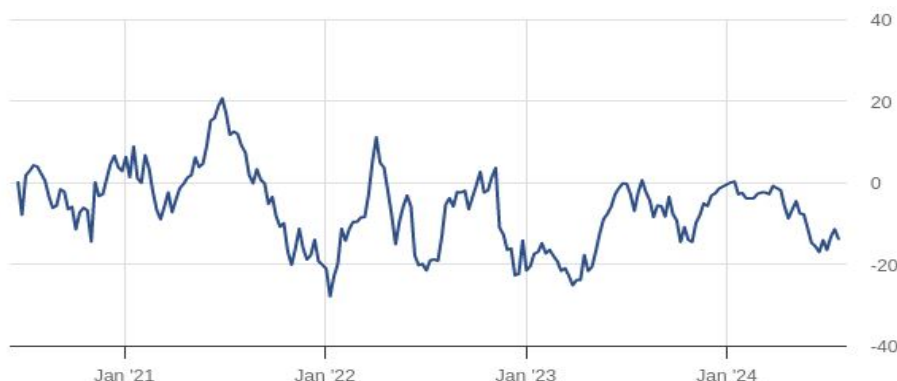
## Average performance

| Average perf.      | 2 years | 3 years | 5 years | 10 years |
|--------------------|---------|---------|---------|----------|
| Fund <sup>1</sup>  | 3.05%   | -10.75% | -       | -        |
| Index <sup>2</sup> | 3.54%   | -10.89% | -       | -        |

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

<sup>2</sup> Benchmark index: Solactive ISS ESG Brazil Small Cap UCITS Index NTR (75%), Solactive ISS ESG Brazil Large & Mid Cap UCITS NTR (25%). 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



## Portfolio



Stocks 96.73%  
Bonds and Cash 3.27%

Brazil 100.00%

As of: 30.06.2024

As of: 30.06.2024

## Portfolio manager comments — Q2 2024

Fund performance was negative in Q2 and the SEK strengthened significantly against the Brazilian real. The period was marked by high volatility, driven by the political agenda and other macroeconomic factors. The fiscal policy is considered to be too expansive, which had a negative impact on the currency, while the fixed income market is currently pricing in rate hikes from the central bank. As a result, the Brazilian equity market continued to see outflows and high volatility that led to negative returns.

We believe that the market has overreacted and do not expect the central bank to hike rates, but rather that interest rates will remain stable, with the possibility of rate cuts in the future. This assessment is based on the fact that the real rates are high at the same time as the inflation expectations remain stable. Going forward we continue to expect a

## Fund manager



### Elias Kayaal

Experience in the fund industry 2018.  
Portfolio Manager since  
1 November 2023.

|                             |                   |
|-----------------------------|-------------------|
| Main category               | Equity Fund       |
| Risk                        | 6                 |
| Rate                        | 8.03 (22.07.2024) |
| Reporting Currency          | EUR               |
| Price/Trade                 | Daily             |
| Total Rating™               | ★                 |
| Minimum investment          | 1,000,000 EUR     |
| Monthly savings             | -                 |
| Traded on the Internet      | No                |
| Management Fee              | 0.95%             |
| Entry charge                | 0%                |
| Exit charge                 | 0%                |
| Fund assets                 | 369 MSEK          |
| Distribution per fund unit  | -                 |
| Distribution date           | -                 |
| Fund, date of launch        | 07.12.2018        |
| Share class, date of launch | 17.06.2020        |

## Largest holdings

|   |       |
|---|-------|
| Santos Brasil Participacoes SA                              | 5.21% |
| Itausa Investimentos ITAU SA Participating Preferred        | 4.65% |
| Totvs SA  | 3.70% |
| B3 SA - Brasil Bolsa Balcao                                 | 3.61% |
| Klabin SA Ctf de Deposito de Acoes Cons of 1 Sh ' 4 Pfd Shs | 3.56% |
| Auren Energia SA  | 3.41% |
| Weg SA  | 3.39% |
| Arcos Dorados Holdings Inc Class A                          | 3.30% |
| Iguatemi SA Units (1 Ord share & 2 Prf shares)              | 3.23% |
| Sao Martinho SA   | 3.23% |

rebound of the Brazilian consumer and thereby good opportunities in consumer equities, which posted weak performance at the outset of the year. As a result of this, the education company Anima was one of the companies that had the most negative impact on the fund.

WEG was one of the strongest contributors to returns. The company produces a number of different electrical and electronic products, of which many benefit from the structural growth that is arising from the electrification trend. In addition, the expansion of data centers in the US has further increased the demand for WEG's products. The fund added two new companies, one of which was Direcional within the demographics and growing population theme. The company develops homes for low income groups, which is currently a rapidly growing segment of the Brazilian economy. Brazil has a large deficit of housing, with many of those who do not own their home being forced to rent at exorbitant prices or live in slums under harsh conditions. The government has responded to this by expanding the housing program, which not only increases the incentives for developing housing within the program, but also improves the purchasing power of low income groups. The other addition to the fund within the environment and renewable energy theme is Serena, one of the country's leading producers of renewable energy. The majority of the energy is produced using wind power, although the company also has a portion of solar and hydropower in the installed capacities. In addition to the planned expansion in Brazil over the coming years, the company has also expanded its operations internationally. The company currently has operations in the US and is expected to continue to develop this market. The fund has a thematic investment process with Demographics, Productivity, Environment and Lifestyles as the main themes.

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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