

Carnegie Asia is suitable for investors seeking to invest in a region of dynamic growth.

- Focused portfolio with approximately 25-30 companies in Asia, excluding Japan.
- Invests in companies that are undervalued and that have high dividend yields.
- Investment themes – foreign direct investment, infrastructure, healthcare and social media.

MANAGER COMMENT: Risk appetite expected to rise in Asia

Asian markets continued upward in March. Carnegie Asia rose 2.8 % and is up 13.0% so far this year.

Three important factors governed performance and risk appetite this month.

- The Fed's interest rate policy outlook
- Brexit
- Trade negotiations between the US and China

The Fed is signalling that it is done with rate hikes, and the next move is likely to be a cut.

At the same time, falling bond yields mean a negative yield curve, which worries investors since this normally indicates weaker economic growth going forward. Lower expected growth in the US and Europe as we enter the next recession, caused by the trade war and Brexit, means that risk appetite for investment in Asia and India is increasing among global investors. In addition, the value of the dollar should correct, which is positive for Asia.

The development of China's economy continues to be questioned. A clear slowdown in demand in the last six months meant that the government provided liquidity via the banking system

alongside government stimulus. Better housing sales by real estate companies are a first sign that the trend for domestic consumption is about to reverse.

India goes to the polls on April 11, and it will be exciting to see if Prime Minister Modi and the BJP can keep power. The BJP and the Congress Party are competing for who can offer the largest subsidies and cash contributions to rural farmers to gain support. India's currency has strengthened against the dollar, and bond yields have normalised. Low inflation meant that the RBI could lower the interest rate at the start of the year. There will most likely be another cut in early April, before the election. Foreign investors placed USD 5 billion in Indian stocks over the past month, which led the stock market to rise by almost 8%.

Carnegie Indienfond's investments were increased this month through purchases in Axis Bank and Bajaj Finance. In Taiwan, the fund invested in Largan Precision Company. The exposure to China was reduced by cutting back the holdings in China Light & Power and Chinese banks.

MONTHLY REPORT
MARCH 2019



GUNNAR PÅHLSON
Manager since 2004 and in the business since 1981.

Start date	06/04/2004
Pricing	Daily
Morningstar rating (2019-03-31)	★★
Risk level	6 of 7
ISIN	SE0001172263
Bloomberg	BBG000GHG328
Management fee	1.90%
Minimum initial investment	0 SEK
Asset under management	1 517 MSEK
Dividend	No
NAV (End of month)	237.95 SEK

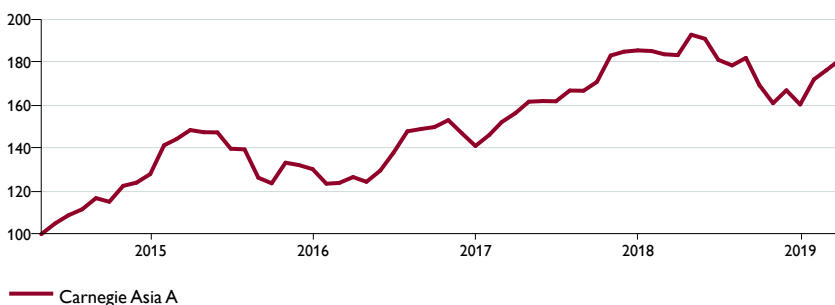
RETURN % (CLOSING NAV)

As of 31/03/2019

	YTD	1 Year	3 Year	5 Year	Since inception
	13.0	-1.2	43.2	82.7	166.8

5 YEAR RETURN % (CLOSING NAV)

As of 31/03/2019



RETURN PER MONTH % (CLOSING NAV)

As of 31/03/2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2019	7.34	2.48	2.75										13.03
2018	-0.16	-0.84	-0.21	5.17	-0.98	-5.14	-1.42	1.94	-6.91	-5.04	3.77	-3.98	-13.61
2017	3.62	4.13	2.73	3.41	0.17	-0.09	3.14	-0.10	2.46	7.20	1.00	0.35	31.59

Signatory of:



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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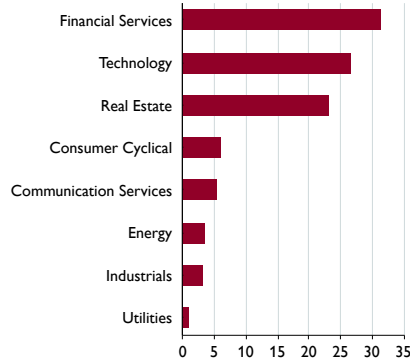
TOP HOLDINGS %

As of 31/03/2019

Taiwan Sem	7.3
Tencent	6.6
Icbc Ind&Com	5.7
Hdfc Bank	5.3
China Constr	5.1
Samsung	5.0
Swire Pacific	4.7
Ping An	4.5
China Resources Land	4.3
China Overseas Land	4.3
Total	52.7

SECTOR BREAKDOWN %

As of 31/03/2019



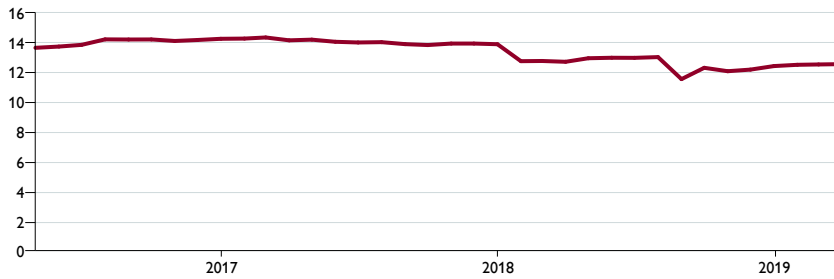
KEY STATS

As of 31/03/2019

Number of holdings	43
Turnover rate, tms/year (31/12/2016)	1.14
Standard Deviation %, 1 Year	15.87
Standard Deviation %, 3 Year	-
Sharpe Ratio, 1 year	-0.91
Sharpe ratio, 3 Year	0.54

STANDARD DEVIATION %

As of 30/04/2016 to 31/03/2019



LARGEST CONTRIBUTORS %

As of 31/12/2018 to 31/03/2019

	Resc. weight	Return	Contrib.
Ping An Insu...	4.0	32.6	1.2
Tencent Hold...	6.4	19.9	1.2
Swire Pacifi...	4.2	27.4	1.1
Taiwan Semic...	7.5	12.9	1.0
Samsung Elec...	5.0	18.1	0.9

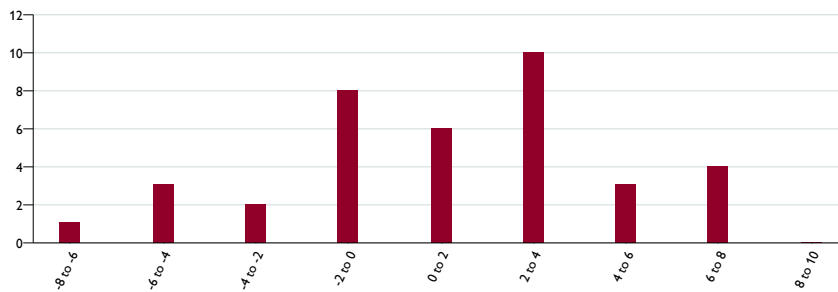
SMALLEST CONTRIBUTORS %

As of 31/12/2018 to 31/03/2019

	Resc. weight	Return	Contrib.
Sterlite Tec...	0.5	-24.8	-0.3
Balkrishna I...	0.3	-11.7	-0.1
China Life I...	0.3	1.2	-0.1
Blue Star Lt...	0.5	-3.9	-0.1
Hota Industr...	0.7	-2.4	0.0

DISTRIBUTION OF MONTHLY RETURNS %

As of 31/03/2016 to 31/03/2019



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

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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