



# GADD SMP FUND

## Monthly Report

### February 2026

NAV CHF 2'500.62\*

Inception date 05.04.2011 = CHF 1'000

\* at 28.02.2026

	Jan.	Feb.	Mars	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Year
2026	0.0%	5.1%											5.2%
2025	4.3%	0.2%	-5.1%	1.7%	2.3%	0.8%	0.0%	2.5%	-0.5%	3.2%	2.1%	0.9%	10.8%
2024	-0.3%	1.4%	5.4%	1.8%	1.3%	-0.9%	4.3%	-0.1%	-1.6%	-2.0%	-0.8%	-2.6%	5.7%
2023	3.2%	-1.5%	-1.6%	-0.5%	-3.3%	1.8%	2.0%	-3.0%	-2.3%	-1.3%	2.3%	5.0%	0.7%
2022	-7.1%	-1.8%	5.3%	-1.6%	0.8%	-9.4%	7.2%	-4.6%	-3.1%	4.4%	3.1%	0.3%	-7.6%
2021	0.0%	3.1%	2.8%	3.8%	7.2%	0.0%	4.6%	1.3%	-1.1%	5.9%	1.6%	3.8%	37.7%
2020	1.5%	-4.7%	-15.9%	8.9%	4.3%	1.1%	3.1%	3.9%	2.7%	-3.5%	5.1%	3.3%	7.6%
2019	5.7%	4.6%	-0.1%	4.2%	-0.0%	1.0%	0.1%	-1.7%	0.5%	0.1%	3.1%	1.8%	20.8%
2018	1.5%	1.0%	-3.0%	2.7%	0.9%	-0.8%	0.6%	3.3%	-0.9%	-5.6%	-2.0%	-2.9%	-5.5%
2017	0.8%	2.8%	-2.9%	3.8%	1.2%	0.0%	-3.0%	-1.5%	3.6%	1.5%	-1.4%	-1.2%	3.5%

## Market Comment

February 2026 continued in the same positive spirit as the beginning of the year, with further good risk appetite and market resilience in Europe despite remaining geopolitical uncertainty. However, the development was not unambiguous between sectors and company sizes, but was characterised by selective strength.

In the US, clear signs of a broader market rotation were visible. The Russell 2000 again developed stronger than both the S&P 500 and the Nasdaq Composite. This indicates that capital has to some extent been moved from the most concentrated mega-companies to “small cap” and more value-oriented segments.

On the Swedish market, “large cap” (OMXS30) showed relative strength compared to “small” and “mid cap” during the month. The rise was mainly driven by index-heavy companies in engineering, raw materials and other cyclical segments.

The reporting season in the US for the fourth quarter of 2025, which mainly ended in February, showed continued good profit growth. The combined profit increase for the S&P 500 ended at around 13-14%. The outcome exceeded the forecasts that were in place before the season. Sectors such as technology, industrials and communication services accounted for several positive surprises. Sales also increased at a stable pace. Overall, this provides clear fundamental support for the US market.

On the Swedish market, the reporting season was more mixed. Several larger companies delivered stable results. However, the broad and clear profit acceleration that would fully justify the strong index development has not yet been

consistent. OMXS30 nevertheless rose sharply and recorded new record levels around 3230 before a certain rebound followed. This does not mean that the rise is without foundation. Rather, the market has to some extent priced in an improvement in profits that is expected to materialise in the future. Given the fund's more positive view of Sweden and Europe relative to the US, we see this as a shift in expectations rather than a fundamental problem. For the trend to be more sustainable, however, it would be desirable for future reports to more clearly confirm the improved profit picture.

Index	31.12.25	27.02.26	YTD
MSCI World (USD)	4'430.38	4'556.79	2.9%
STOXX50 (EUR)	5'791.41	6'138.41	6.0%
S&P 500 (USD)	6'845.50	6'878.88	0.5%
Nasdaq Comp (USD)	23'241.99	22'668.21	-2.5%
Dax (EUR)	24'490.41	25'284.26	3.2%
SMI (CHF)	13'267.48	14'014.30	5.6%
OMX30 (SEK)	2'882.97	3'222.75	11.8%
MSCI Russia (USD)	13'041.79	13'508.93	
MSCI China (USD)	82.58	81.43	-1.4%
NIKKEI (YEN)	50'339.48	58'850.27	16.9%
Swe. Gov Bond. 10 y	2.78%	2.60%	

The Supreme Court's decision on February 20, 2026, invalidated large parts of Trump's tariffs under IIEPA and triggered a major tariff chaos. Trump immediately countered with new general tariffs of 10% under Section 122 of the Trade Act of 1974 (maximum 150 days) and then increased them to 15% the next day on Truth Social. He is now looking

for more laws to extend them. The average tariff rate is tentatively only marginally decreasing to around 12% and the certainty is high. Over 2'000 companies have already sued the administration for illegal tariffs. FedEx was the first to come out and is demanding a full refund. As if that weren't enough trouble for President Trump, the New York Fed released a report showing that nearly 90% of the tariff costs in 2025 would be paid by American consumers and businesses, not foreign exporters.

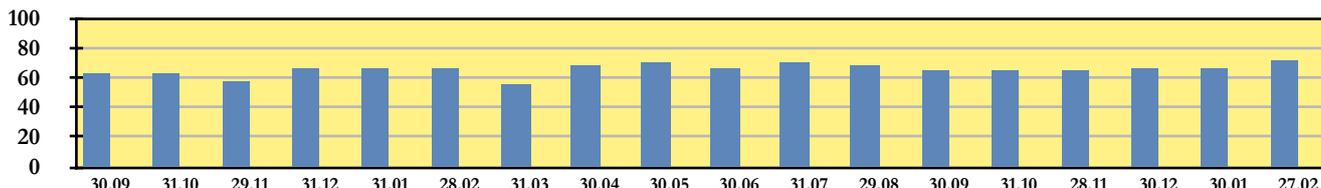
Japan strengthened significantly after Sanae Takaichi won a convincing victory in the new election on February 8. Her party, the Liberal Democratic Party, secured its own two-

The Swedish 10-year government bond yield decreased by 12 basis points during the month, from 2.72% to 2.6%.

## Activities of the month

The fund added three new holdings, Swedbank, Pandox and Eastnine, which were financed by the sale of Swedencare, as well as the bond in Cibus and the US Treasury bond. After a continued positive market month, short, medium and long-term technical trends show positive signals. The fund began the month with an equity exposure of 65%, which was increased to slightly over 70% when the technical picture strengthened.

**GADD SMP FUND: Net Equity Exposure (%)**



thirds majority in the lower house, which gives the government an unusually strong mandate to pursue a more expansionary fiscal policy and implement structural and security reforms. The market reacted clearly positively. The Nikkei 225 rose sharply in connection with the election result and reached new record highs, driven by expectations of increased stimulus and higher domestic growth. Long-term market interest rates also moved upwards as expectations of fiscal expansion increased. The strong mandate increases the likelihood of a more offensive economic agenda. The decisive factor going forward will be the pace of implementation and how the reforms affect growth, interest rates and currency development.

Since February 28, 2026, joint American and Israeli air strikes have been underway against Iran, focusing on nuclear facilities such as Natanz, missile bases, the navy and leadership. Among other things, Iran's supreme leader Ayatollah Ali Khamenei has been killed. President Trump has warned that the operation could last for weeks, possibly 4 to 5 or longer, with further escalation to be expected. Iran is responding with drone and missile attacks on American bases, allies in the region and Israel. The country has effectively closed the Strait of Hormuz through threats and attacks on passing ships, which has stopped large parts of oil and gas transport. The market is reacting mixedly, but with a clear energy recovery, Brent oil has risen towards 83 USD/barrel, European gas and LNG up around 50% to levels from the turn of 2024/25. Gold, silver and the USD are strengthening, while bond yields (especially short-term) are rising. High risk remains for wider regional spread and longer disruptions in energy supplies.

The MSCI World (USD) index rose by 0.6% during the month. The S&P 500 in the US fell by (0.9%) and the Nasdaq by (3.4%). In Europe, the STOXX50 rose by 3.2%, the Dax by 3% while the SMI increased by 6.3%. The MSCI Nordic Countries fell by (0.1%) and the OMXS30 in Stockholm increased by 6.5%. The MSCI China USD fell by (5.8%) while the Nikkei in Japan rose by a whopping 10.7%.

The strongest development of the fund's holdings during the month was accounted for by Lundin Mining, which rose by a total of 26.5%. Other holdings that increased significantly were Lundin Gold 20.5%, Peab 19.3%, Hexatronic 17.9%, Industrivärden 14.8% and AstraZeneca 14.2%.

On the negative side, Implantica can be mentioned primarily, which fell (6.4%). Logestri fell by (6%), Dometic (1.7%), JM (1.6%), Cibus (0.8%) and RevolutionRace (0.4%). The results above are not dividend-adjusted.

## Investment strategy

The lack of a broad stock market rally in Sweden has been discussed previously, with fund flows often cited as the main reason. The weak performance of small companies has also been highlighted. In its weekly newsletter, Cicero Fonder launched the theory that the winding-up of the First AP Fund (AP1) has created additional selling pressure in the small and midcap segment. Its assets (approximately SEK 510 billion) were transferred equally to AP3 and AP4 on 1 January 2026. In portfolio mergers, holdings are often rationalized, which creates increased selling pressure in small companies where AP positions have been large relative to turnover. Reports show that AP3 has reduced positions in several acquired small and medium-sized companies, while AP4 has kept more unchanged. This may have contributed to increased supply and price declines.

At the time of writing, the fund has reduced equity exposure from 70% to 50%. Since the conflict in the Middle East escalated, European stocks have fallen sharply. Europe is particularly vulnerable, with its high dependence on imported energy, geographical proximity to the conflict and higher energy sensitivity than the US. In the event of a prolonged conflict and persistently high energy prices, the risk of stagflation (rising inflation and weaker growth) increases, which could lead to continued declines. The Fund is monitoring developments closely and is ready to adjust further if necessary.