

All data in EUR as of 30.11.2017 unless otherwise stated.

Performance Commentary

Although SKAGEN Tellus was slightly ahead of its benchmark in November, the fund was pulled down by the depreciation of the other currencies in the fund relative to the euro.

Our Portuguese investment was the strongest performer in November. The long-term yield continued to fall on the back of strong economic and fiscal performance.

Our Norwegian Government bond investment was the worst performer in November. The Norwegian krone depreciated by 4 percent versus the euro. The depreciation is broadly explained by expectations of a continuing fall in house prices and the potential ramifications for the Norwegian economy. We still believe that the krone is undervalued. The Norwegian economy is strengthening and we believe growth will be higher going forward.

Furthermore, our view is that the house price correction will be contained and have a limited effect on the real economy. We therefore expect the NOK to appreciate going forward.

Our US and Chilean investments were also a drag on performance due to depreciation of the US dollar and Chilean peso versus the euro.

Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last Month	-0.8%	-0.6%
Year to date	-2.4%	-4.8%
Last year	-2.2%	-4.9%
Last 3 years	1.1%	3.3%
Last 5 years	2.4%	2.0%
Last 10 years	4.8%	4.8%
Since start	4.7%	4.1%

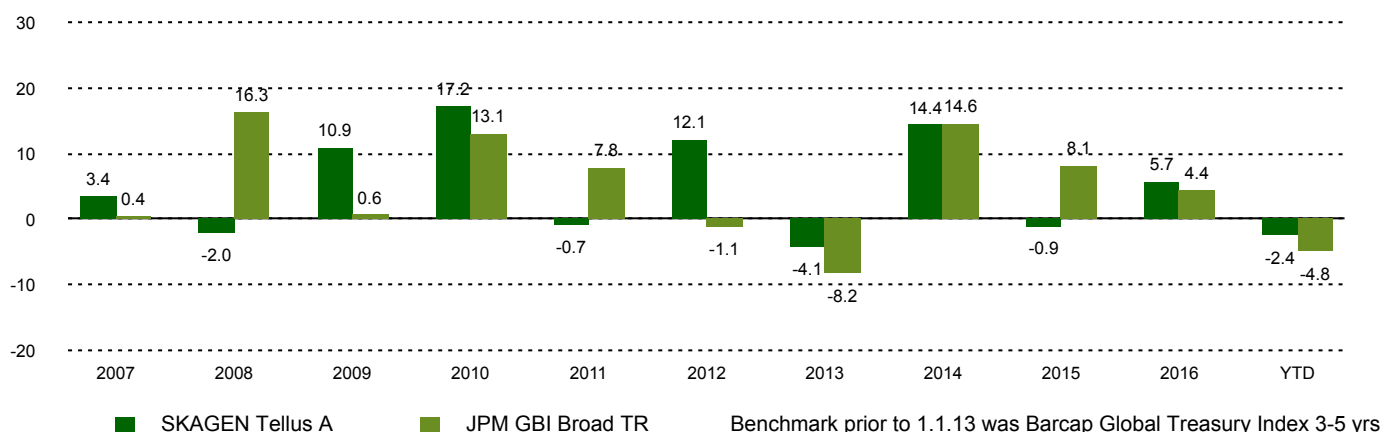
SKAGEN Tellus invests primarily in bonds and certificates issued or guaranteed by governments from around the world.

The fund is suitable for those with at least a three year investment horizon. Investors must be able to tolerate currency fluctuations.

Fund Facts

Type	Fixed income
Domicile	Norway
Launch date	29.09.2006
Morningstar category	Global Bond - EUR Biased
ISIN	NO0010327786
NAV	12.53 EUR
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR
AUM (mill.)	92.31 EUR
Duration	4.50
WAL	6.07
Yield	3.46%
Number of holdings	15
Lead manager	Jane Tvedt

Performance last ten years



Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
Portugese Government	8.37	0.12
Mexican Government	6.66	0.11
Greece Government	4.52	0.10
Dominican Republic	7.45	0.03
Slovenia Government	4.61	0.03

Absolute contribution based on NOK returns at fund level

Largest detractors

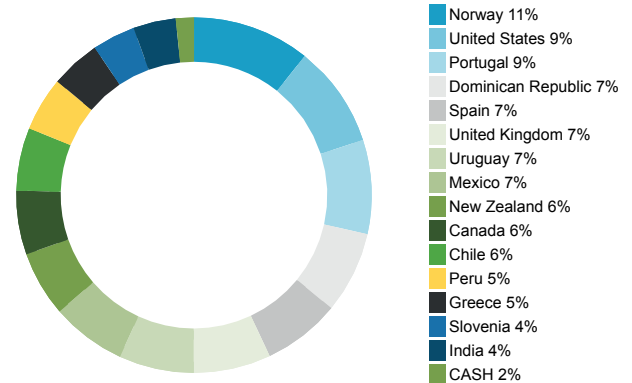
Holding	Weight (%)	Contribution (%)
Norwegian Government	10.84	-0.35
US Government	9.70	-0.24
Republic of Chile	5.84	-0.22
Canadian Government	5.86	-0.12
Asian Development Bank	3.86	-0.09

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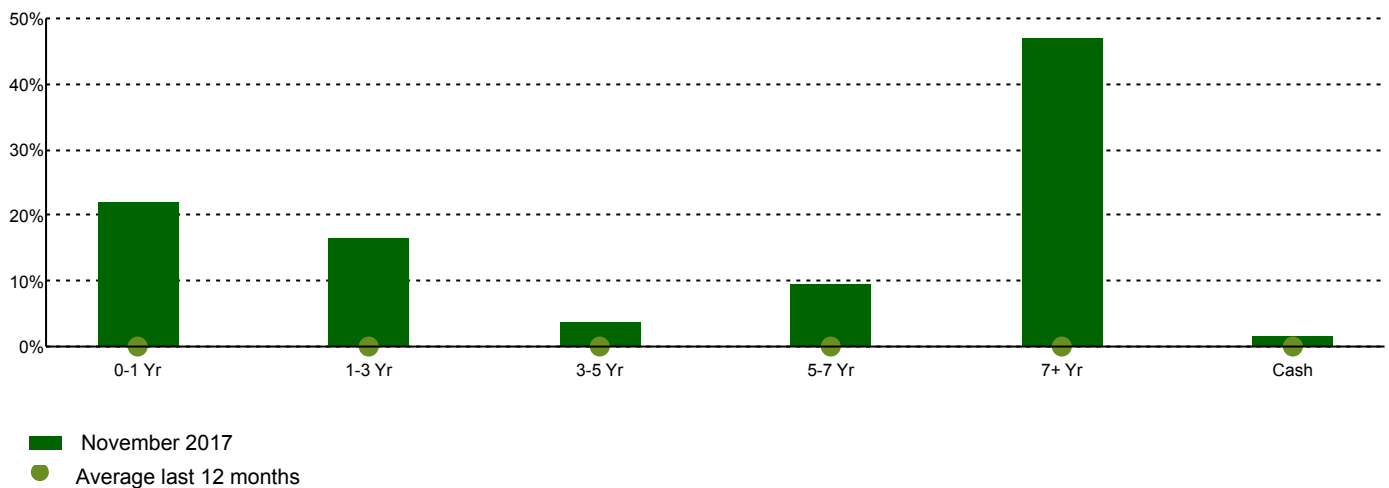
Top 10 investments

Holding	Percentage of Fund
Norwegian Government	10.7
US Treasury N/B	9.3
Portugese Government	8.5
Dominican Republic	7.4
Spanish Government	7.0
UK Government	7.0
Uruguay Government	6.8
Mexican Government	6.8
New Zealand Government	6.0
Canadian Government	5.8
Total	75.4

Country exposure



Maturity structure



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Important information

Unless otherwise stated, performance data relates to class A units and is net of fees. Except otherwise stated, the source of all information is SKAGEN AS. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio.