

## Performance Commentary

The fund delivered a solid performance in the month from an absolute and relative perspective. This performance was generated in a market environment which has seen more volatility as geopolitical headlines continued to play a significant role in unsettling markets, particularly with regard to a potential “trade war” between the US and China. Oil prices rose substantially, which contributed to the continued re-rating of our US shale gas producer Whiting Petroleum, and the stock was one of the strongest performers. Our dynamic duo, Hanil and Asia Cement, were also among the top performers. The shares responded positively to the historic meeting between the North and South Korean leaders, fuelling optimism about new business opportunities. In North Korea, there has been a chronic shortage of cement, with production reaching only a tenth of that in the South, while few investments have been made over the past two decades. We trimmed our positions following a re-rating of the shares. Year-to-date we have added seven new positions and exited four positions at price target.

The fund is a concentrated global equity fund with a mandate to invest in all cap-sizes, geographies and sectors globally. With our concentrated portfolio of 30-35 core positions, we aim to generate absolute returns at a controlled level of absolute risk.

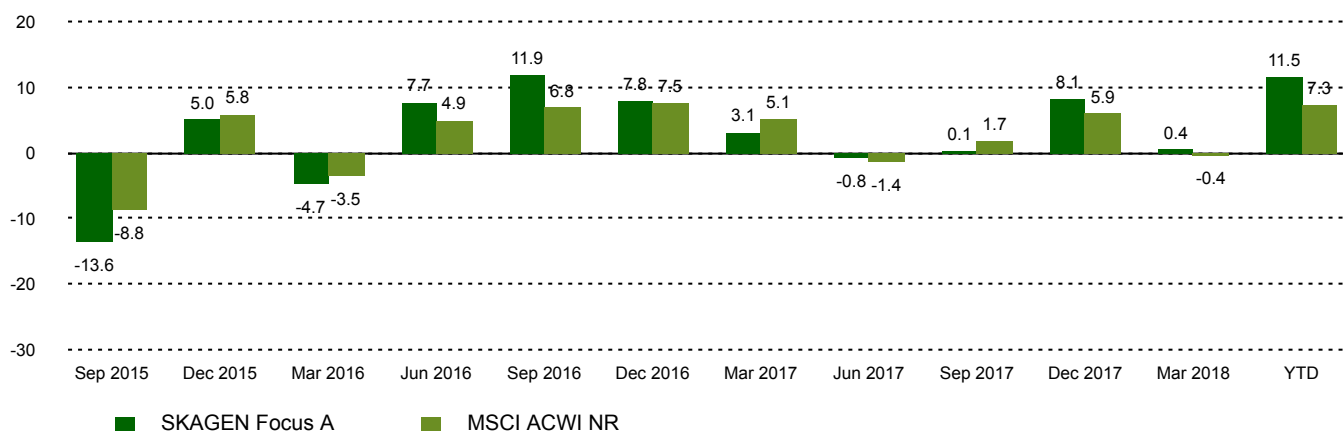
## Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	11.1%	7.7%
Year to date	11.5%	7.3%
Last year	20.2%	13.4%
Last 3 years	n/a	n/a
Last 5 years	n/a	n/a
Last 10 years	n/a	n/a
Since start	8.9%	8.9%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	140.42 SEK
Fixed management fee	1.60%
Total expense ratio (2017)	1.48%
Benchmark index	MSCI ACWI NR
AUM (mill.)	2602.35 SEK
Number of holdings	36
Lead manager	Filip Weintraub

## Quarterly Performance



## Contributors in the month

### Largest contributors

Holding	Weight (%)	Contribution (%)
Hanil Cement Co Ltd	2.30	1.17
Whiting Petroleum Corp	3.69	1.00
Asia Cement Co Ltd	1.37	0.76
Hyundai Motor Co	3.41	0.74
SBI Holdings Inc/Japan	7.76	0.70

### Largest detractors

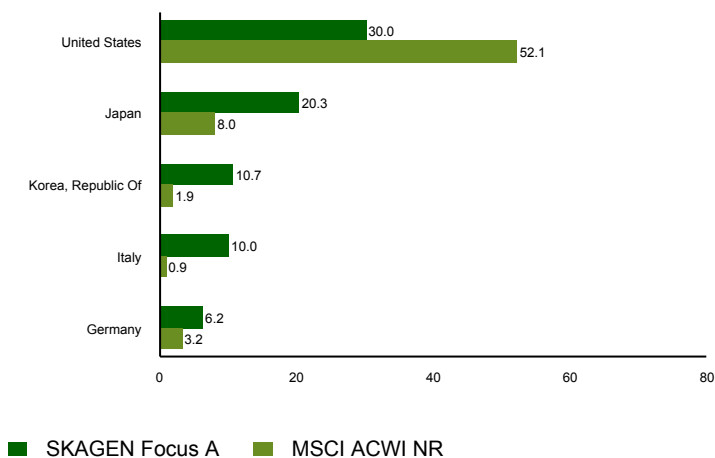
Holding	Weight (%)	Contribution (%)
Gold Fields Ltd	3.39	-0.29
JBS SA	3.25	-0.22
X-Fab Silicon Foundries SE	2.23	-0.18
Sao Martinho SA	2.96	-0.12
MagForce AG	1.43	-0.10

Absolute contribution based on NOK returns at fund level

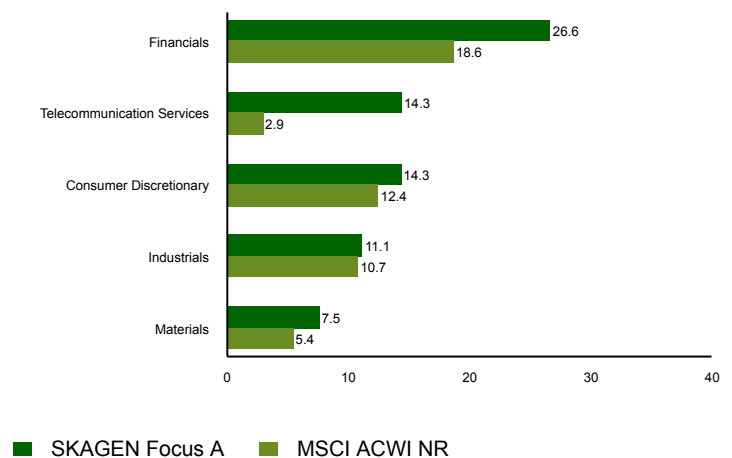
## Top ten investments

Holding	Sector	Country	%
SBI Holdings	Financials	Japan	7.7
Telecom Italia Spa	Telecommunication Services	Italy	6.3
AIG	Financials	United States	5.3
Softbank Group	Telecommunication Services	Japan	4.1
Hyundai Motor	Consumer Discretionary	Korea, Republic Of	4.1
China Telecom	Telecommunication Services	China	3.9
Whiting Petroleum	Energy	United States	3.9
Bank of Kyoto	Financials	Japan	3.7
Gold Fields Ltd	Materials	South Africa	3.1
Renault SA	Consumer Discretionary	France	3.1
Combined weight of top 10 holdings			45.3

## Country exposure (top five)



## Sector exposure (top five)



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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.