

## Performance Commentary

The fund posted a good absolute and relative return in the month. In line with previous market recoveries following painful market lows, we observe strong performance in early cyclical value sectors such as commodities and select sub-segments within industrials. Indeed, our positions in copper producer Ivanhoe Mines and gold miner Roxgold have been significant positive contributors. The earlier drawdown of lumber capacity in the US/ Canada was followed by an unexpected demand boost as home improvement has increased dramatically during the pandemic and propelled lumber prices to near all-time highs. This has positively impacted our position in Canadian lumber producer West Fraser Timber. We initiated a new position in Japanese elevator and escalator producer Fujitec. We see significant improvement potential in fundamental operating efficiencies and the ability to close the margin gap to competitors. In addition, we see opportunities for the company to optimise its balance sheet, unwind major cross holdings and return capital to shareholders. Several activist funds are pressuring for the change and the shares trade at a significant discount to peers. We currently hold 35 positions with an increased exposure towards small and mid-cap positions as we see better value in these segments versus larger caps.

## Historical performance (net of fees)

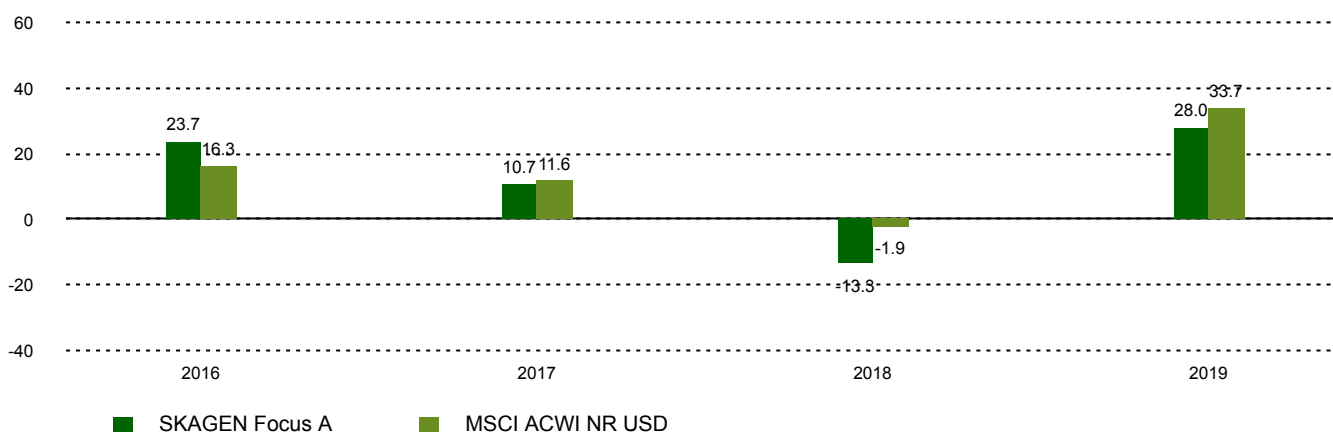
Period	SKAGEN Focus A	Benchmark index
Last month	0.0%	-1.0%
Year to date	-18.4%	-8.2%
Last year	-14.8%	-3.2%
Last 3 years	0.0%	9.5%
Last 5 years	2.7%	7.7%
Last 10 years	n/a	n/a
Since start	0.8%	7.3%

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.

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	114.01 SEK
Fixed management fee	1.60%
Total expense ratio (2019)	1.23%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	1051.46 SEK
Number of holdings	35
Portfolio manager	Jonas Edholm

## Performance last ten years



## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
West Fraser Timber Co Ltd	4.70	1.38
OZ Minerals Ltd	5.35	1.05
Ivanhoe Mines Ltd	5.89	0.97
Fortuna Silver Mines Inc	2.66	0.67
Roxgold Inc	7.88	0.30



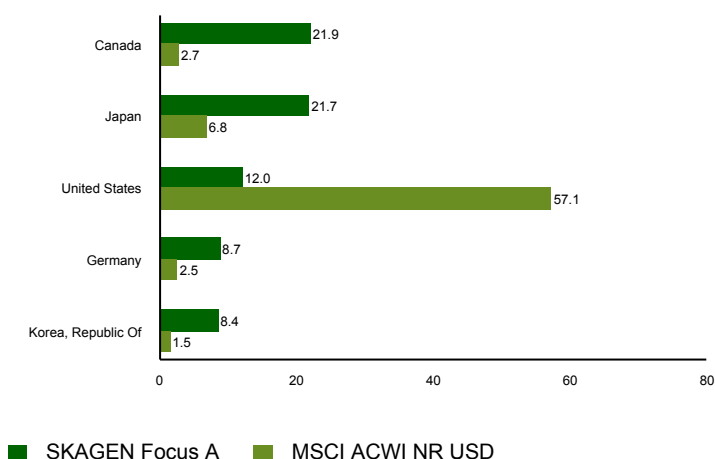
### Largest detractors

Holding	Weight (%)	Contribution (%)
Hitachi Ltd	5.30	-0.63
UPM-Kymmene Oyj	3.57	-0.48
Toyota Industries Corp	4.41	-0.46
Korean Reinsurance Co	3.76	-0.31
Tokyo Broadcasting System Holdings Inc	2.23	-0.26

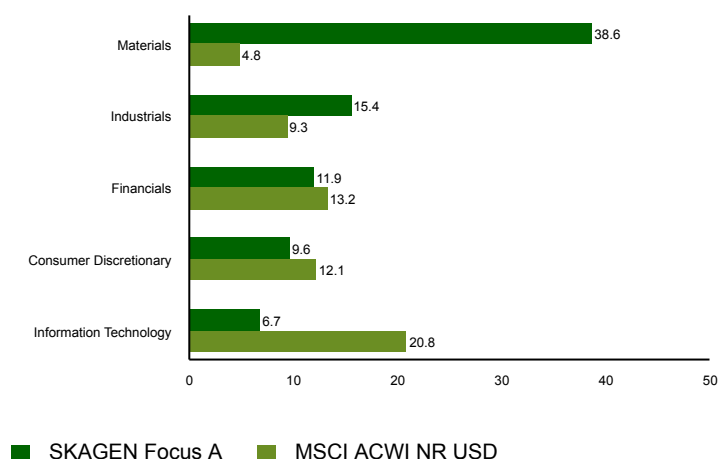
## Top ten investments

Holding	Sector	Country	%
Roxgold Inc	Materials	Canada	8.1
Ivanhoe Mines Ltd	Materials	Canada	6.5
Oz Minerals Ltd	Materials	Australia	5.6
West Fraser Timber Co Ltd	Materials	Canada	5.3
Hitachi Ltd	Information Technology	Japan	4.8
Toyota Industries Corp	Consumer Discretionary	Japan	4.1
Korean Reinsurance Co	Financials	Korea, Republic Of	3.6
Pasona Group Inc	Industrials	Japan	3.5
UPM-Kymmene Oyj	Materials	Finland	3.4
Hitachi Construction Machinery Co Ltd	Industrials	Japan	3.3
Combined weight of top 10 holdings			48.1

## Country exposure (top five)



## Sector exposure (top five)



## Contact



0200-11 22 60



kundservice@skagenfonder.se



SKAGEN AS, Box 11, 101 20  
Stockholm

## Important information

Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. 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.