



*Interior, Brøddums annex, 1916/17, Detail, By Anna Ancher, one of the Skagen Painters. This image belongs to the Art Museums of Skagen*

# SKAGEN Tellus

## Statusrapport april 2017

The art of common sense



# Key numbers as of 30 April 2017 (SEK, net of fees)



	April	QTD	YTD	1 years	3 years	5 years	Since inception*
<b>SKAGEN Tellus</b>	<b>0,03%</b>	<b>0,03%</b>	<b>0,24%</b>	<b>9,31%</b>	<b>6,62%</b>	<b>6,06%</b>	<b>5,55%</b>
<b>JPM Broad GBI Unhedged **</b>	<b>0,32%</b>	<b>0,32%</b>	<b>0,15%</b>	<b>6,86%</b>	<b>9,93%</b>	<b>5,07%</b>	<b>5,16%</b>
<b>Excess return</b>	<b>-0,29%</b>	<b>-0,29%</b>	<b>0,09%</b>	<b>2,45%</b>	<b>-3,31%</b>	<b>0,99%</b>	<b>0,39%</b>

\*Inception date: 29/09/2006

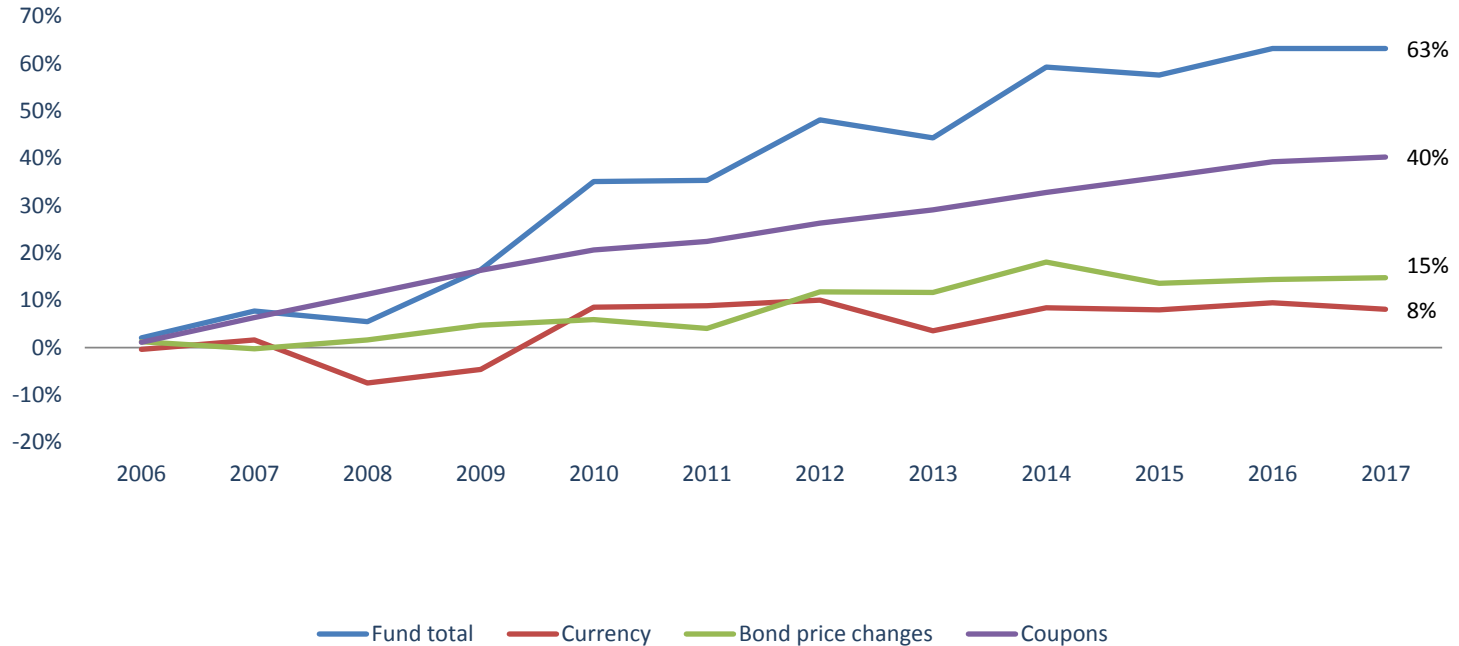
\*\*Benchmark index before 01/01/2013 was *Barclay's Capital Global Treasury Index 3-5 years*

Unless otherwise stated, all performance data in this report relates to class A units, measured in EUR and is net of fees.

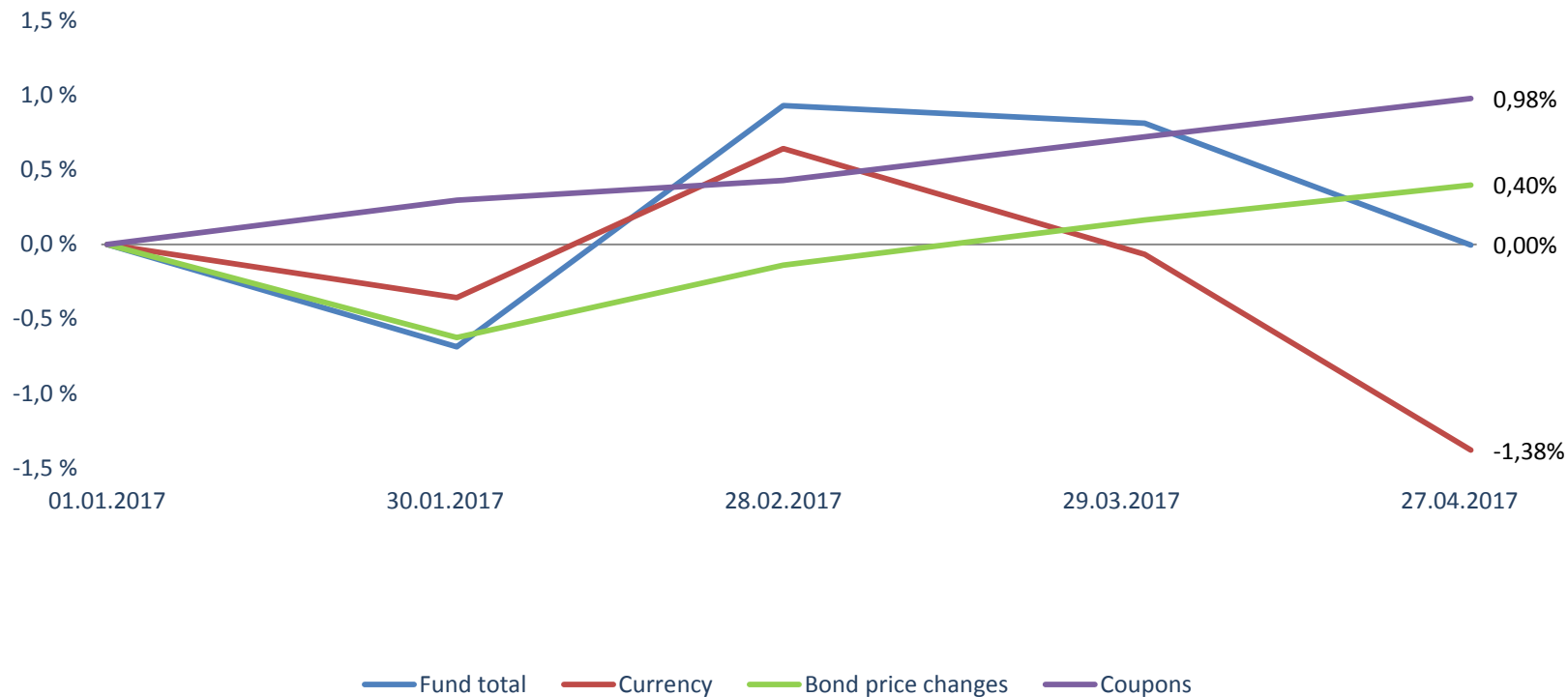
## French election relief

- The results of the first round of the French election led to a relief rally in the Eurozone bond market. The prospect of the centric, independent candidate Emmanuel Macron becoming the next French president (confirmed on 7 May) reduced political risk. In addition, progress made in the negotiations between Greece and its creditors contributed to lower credit risk in the Eurozone. As a result, the euro appreciated and peripheral interest rates fell.
- The Portuguese bond in SKAGEN Tellus was the best performer in the fund in April. The fall in interest rates lifted the bond price by 2.7 percent.
- Falling commodity prices continued to weigh on commodity currencies. The New Zealand dollar and the Canadian dollar were the poorest performers in May, but the other commodity currencies also lost value relative to the euro.
- The duration of SKAGEN Tellus is currently 3.1 years, which is substantially lower than the index's duration of 7.7 years. Given the current state of the business cycle, we only take interest rate risk in countries where there is still a solid case for a fall in the interest rate going forward and/or the yield is attractive.
- We have longer duration in countries where we expect the credit premium to fall, such as Portugal and Croatia, or where there is a high interest rate, e.g. Peru and Chile. We have very low duration on our investments in the US, UK, Canada, Mexico and Norway. These holdings are based on an expectation that the currency will appreciate.

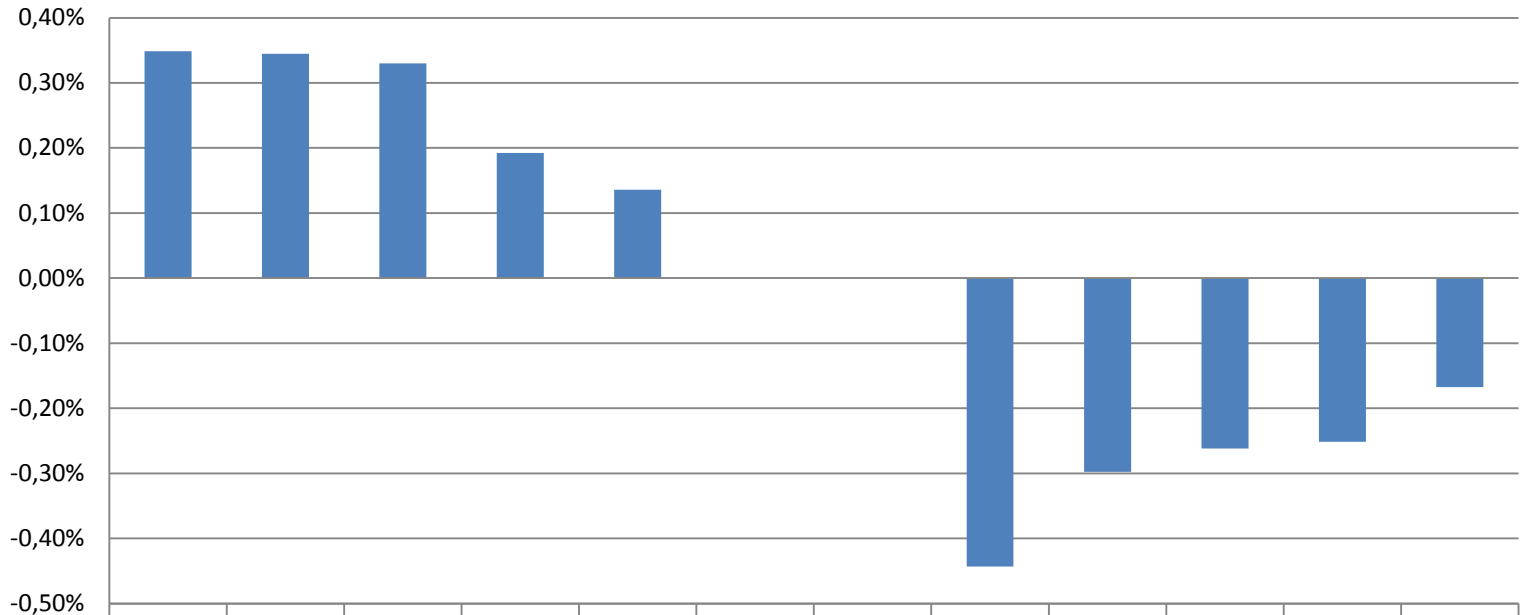
# Accumulated gain since fund's inception from currency fluctuations, bond price changes and coupons



# Accumulated gain YTD from currency fluctuations, bond price changes and coupons

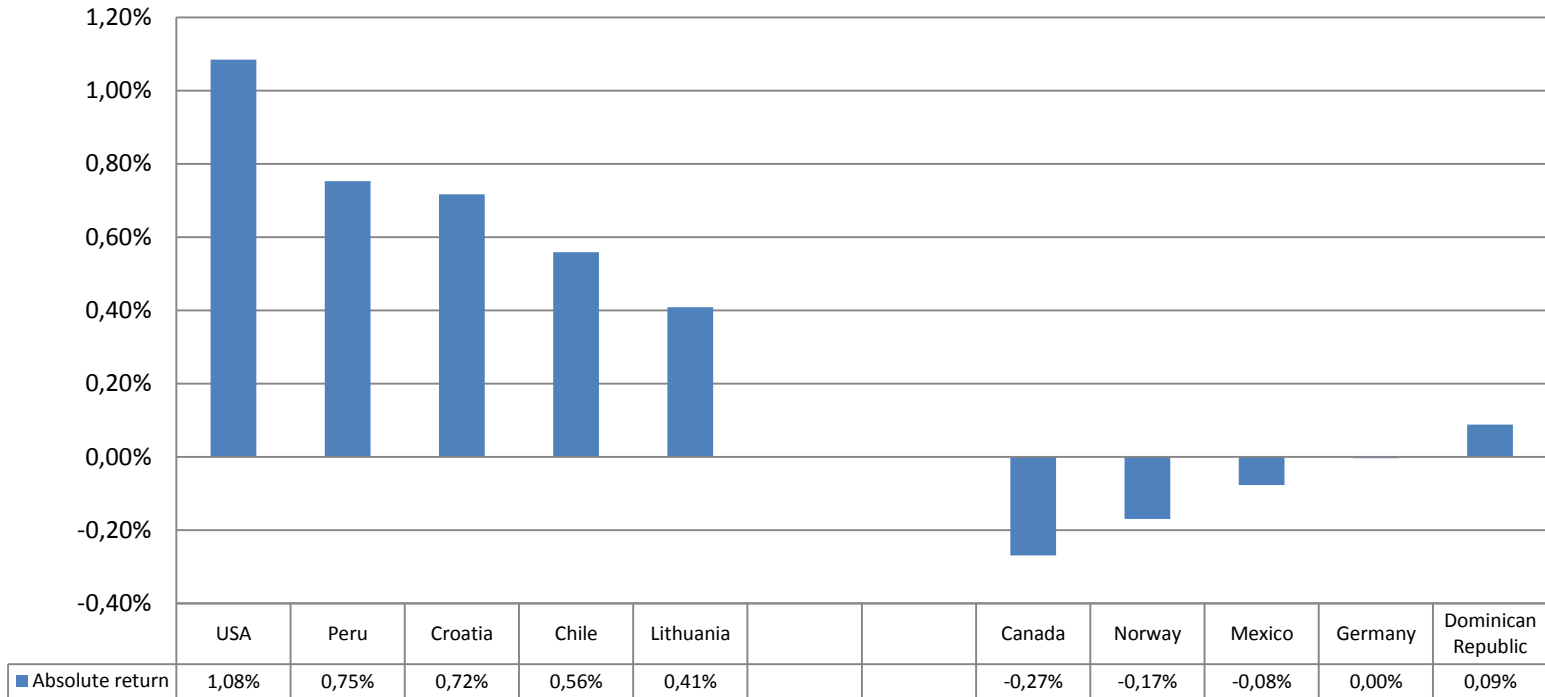


# Top and bottom 5 contributors to absolute return YTD



	Peru	Mexico	Portugal	Croatia	Great Britain			USA	Norway	Canada	Greece	New Zealand
■ Absolute return	0,35%	0,34%	0,33%	0,19%	0,14%			-0,44%	-0,30%	-0,26%	-0,25%	-0,17%

# Top and bottom 5 contributors to absolute return last 12 Months

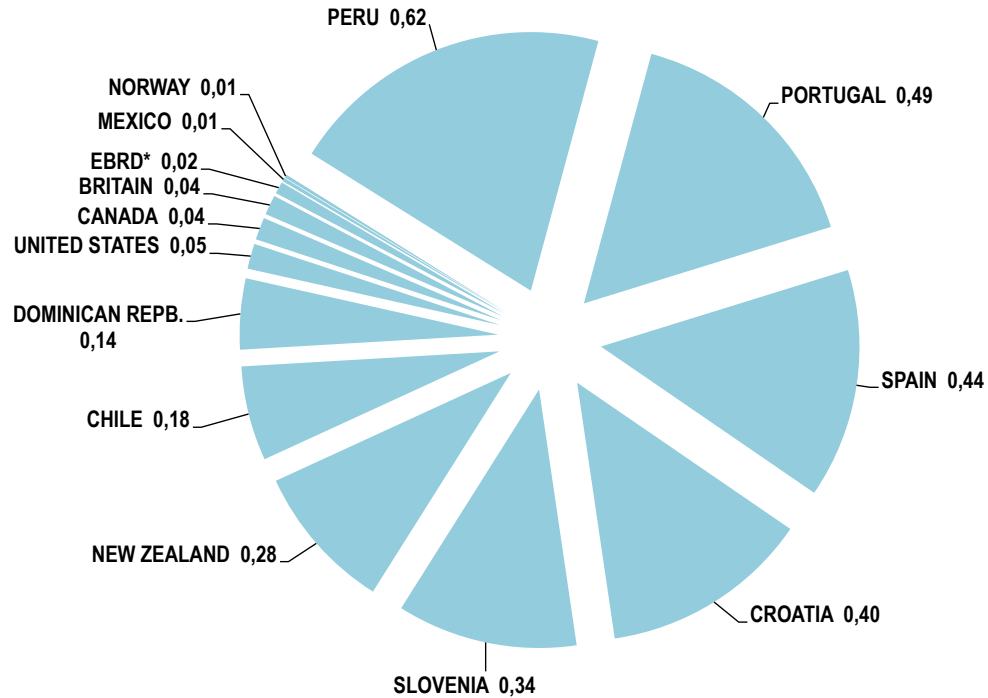


# Portfolio as of 30 April 2017

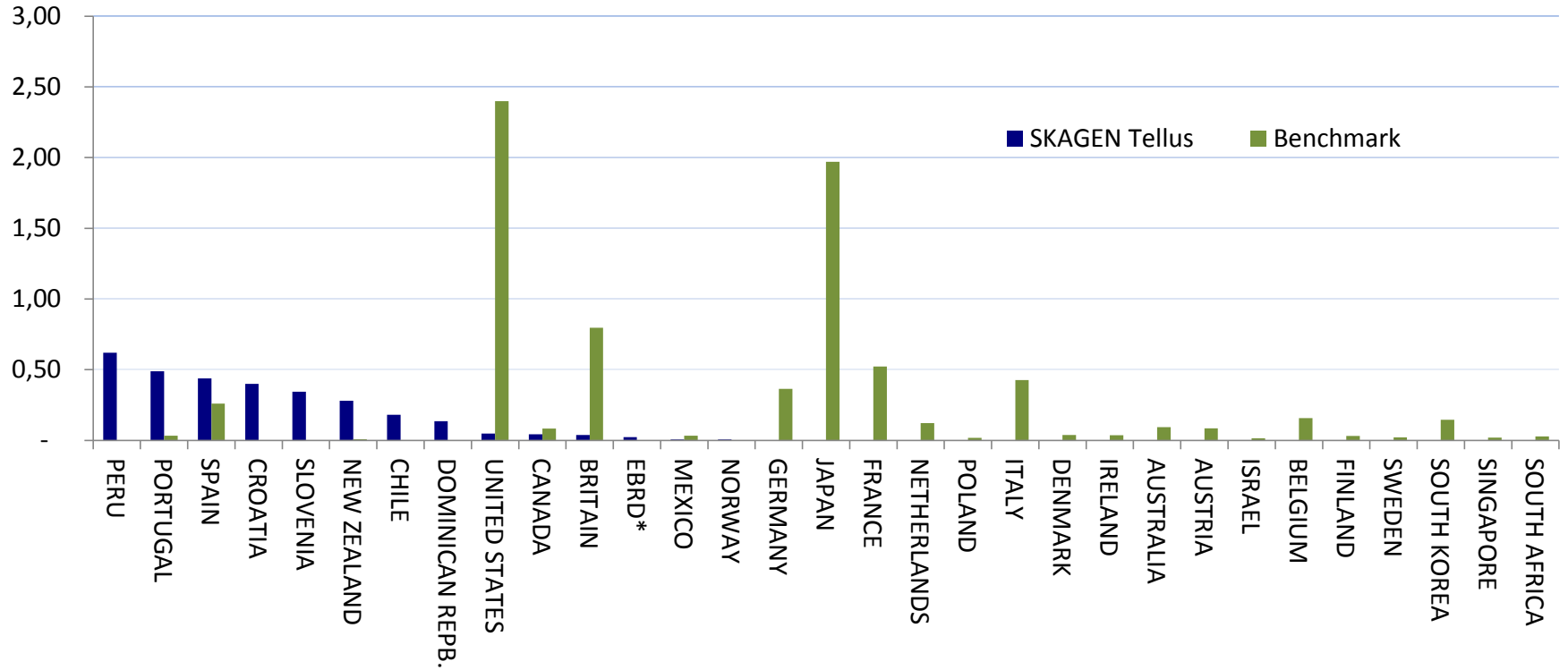
Holding Name	Currency	Numbers of bonds	Percent of fund	Maturity date	Coupon
Norwegian Government	NOK	95000	10,0	19.05.2017	4,25
Croatia Government International Bond	EUR	8300	8,9	30.05.2022	3,87
US Government	USD	10000	8,7	30.09.2017	0,62
US Government	USD	7800	6,8	30.06.2017	0,62
Portugese Government	EUR	7000	6,7	15.10.2025	2,87
Chilean Government	CLP	4410000	6,2	05.08.2020	5,5
Peruvian Government	PEN	20000	5,9	12.08.2037	6,9
Spanish Government	EUR	6000	5,8	30.04.2025	1,6
UK Government	GBP	5000	5,7	07.09.2017	1,0
Mexican Government	MXN	120000	5,7	15.06.2017	5,0
New Zealand Government	NZD	8000	5,5	17.04.2023	5,5
UK Government	GBP	4500	5,3	25.08.2017	8,75
Canadian Government	CAD	8000	5,1	01.03.2018	1,25
Slovenia Government	EUR	3500	4,6	30.03.2026	5,12
Dominican Republic	DOP	150000	3,1	10.05.2024	11,5
European Bank Recon & Dev	INR	200000	2,7	19.03.2018	5,75



# Distribution of the fund's 3.1 years interest duration

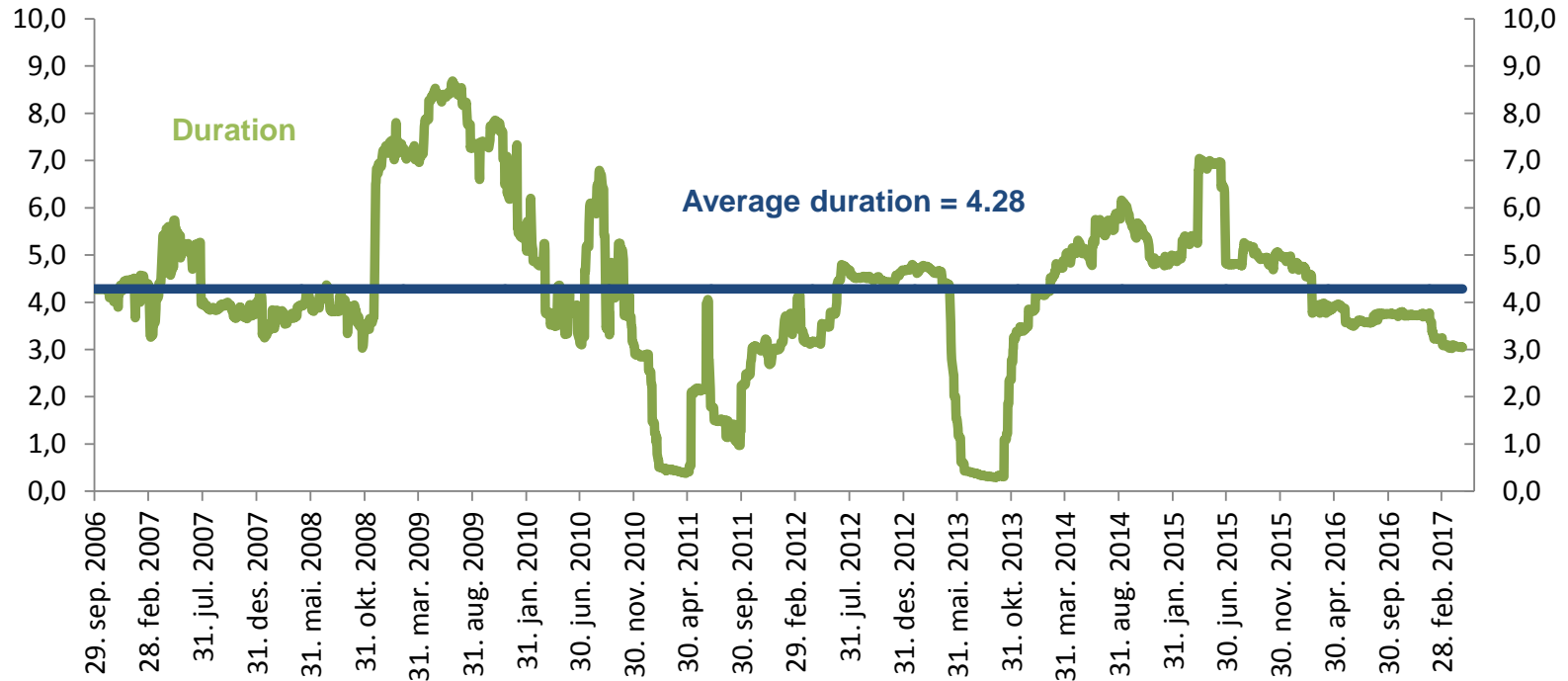


# Distribution of duration relative to benchmark

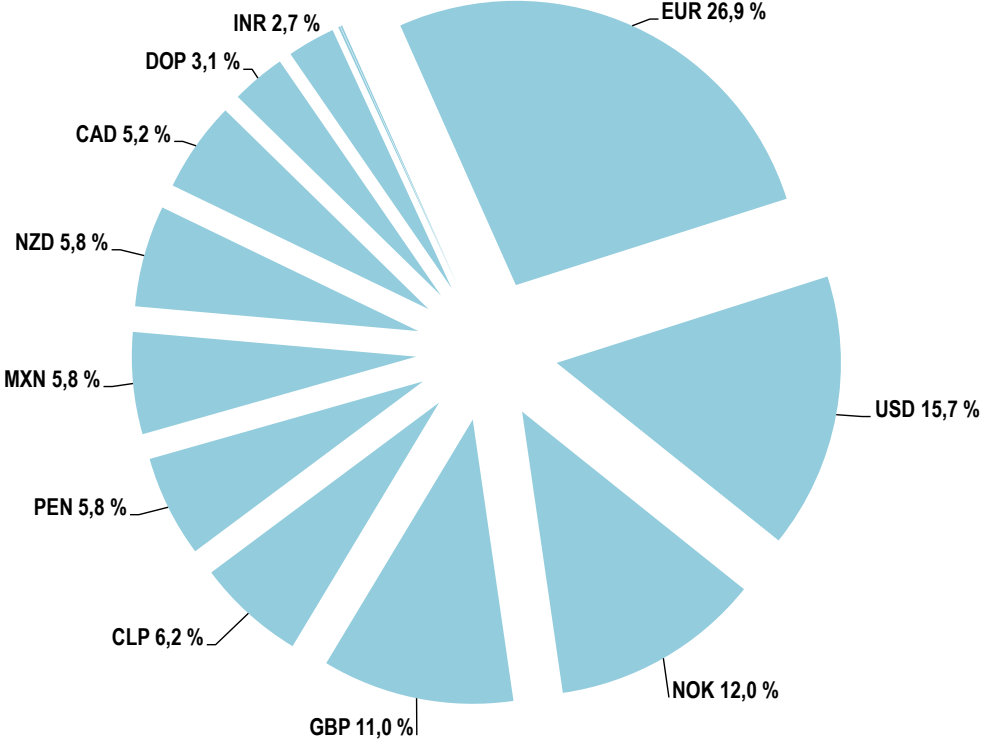


As of 30 April 2017

# Interest duration since the fund's inception

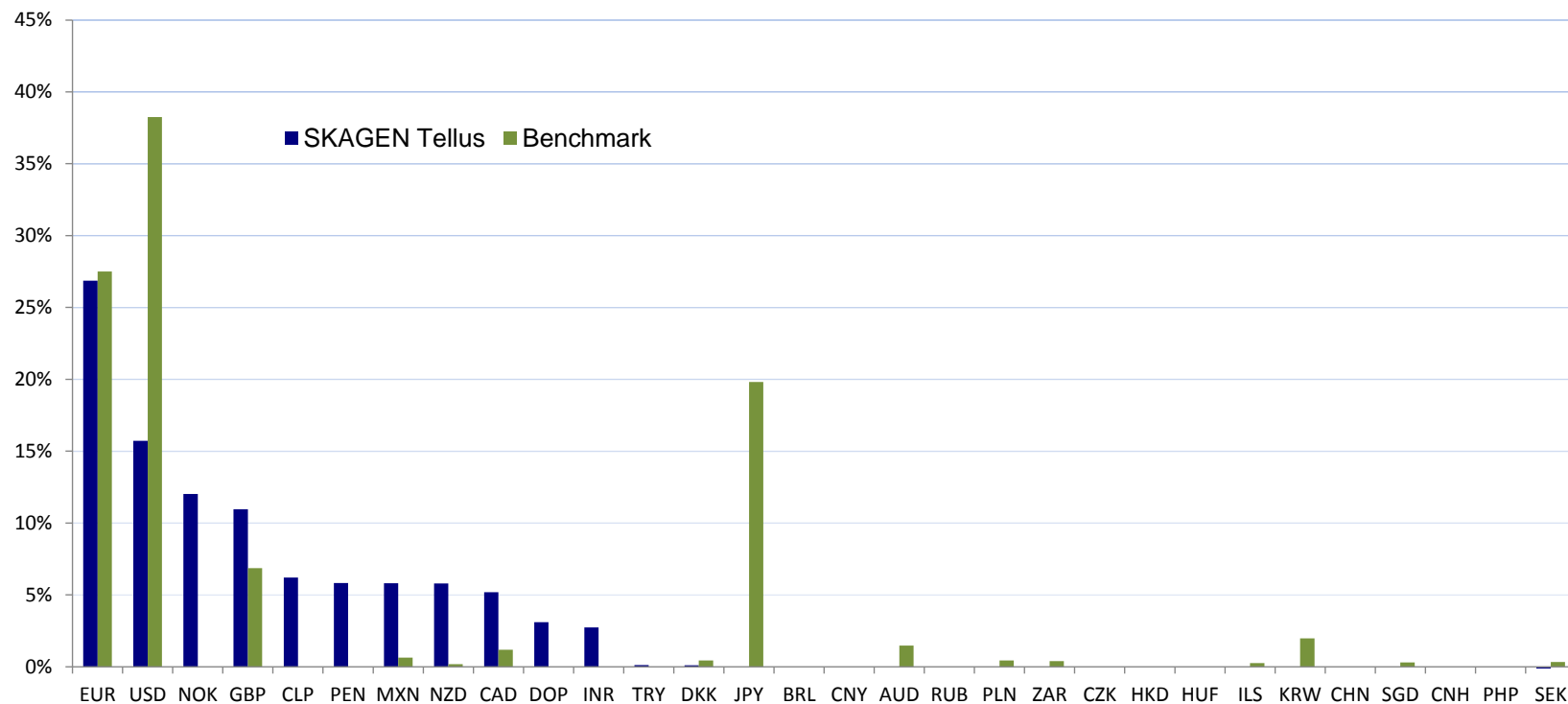


# Currency exposure



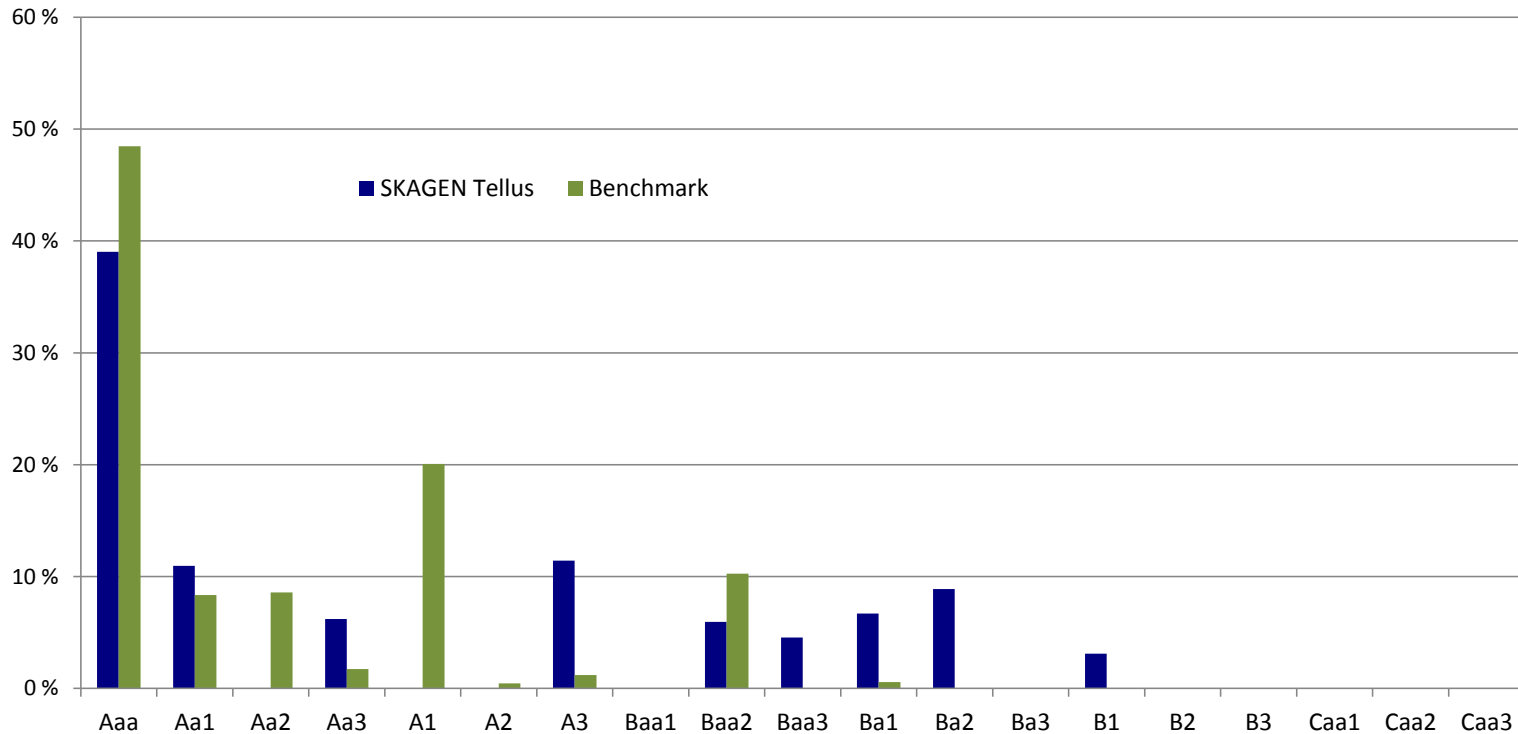
As of 30 April 2017

# Currency exposure relative to benchmark



As of 30 April 2017

# Moody's rating on Tellus' portfolio relative to benchmark



As of 30 April 2017

For more information please see:

[SKAGEN Tellus A on our web pages](#)  
[SKAGEN's Market report](#)

Unless otherwise stated, all performance data in this report relates to class A units and is net of fees.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments.

SKAGEN seeks to the best of its ability to ensure that all information given in this report is correct, however, makes reservations regarding possible errors and omissions. statements in the report reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice.

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Employees of SKAGEN AS may be owners of securities issued by companies or governments that are either referred to in this report or are part of the fund's portfolio.