

All data in SEK as of 31.07.2017 unless otherwise stated.

Performance Commentary

The depreciation of the US dollar continued to weight on performance in July. The dollar depreciation of 3.6 percent relative to EUR was the main reason for the negative absolute performance. However, the fund continued to outperform the index. Again, USD is the main contributor. SKAGEN Tellus has an USD exposure of 14 percent, while the index exposure is 37 percent.

The 10 percent position in a Norwegian Government bond was the largest positive contributor to the performance in July. This was due to an appreciation of the Norwegian krone. The krone appreciated by 2.4 percent relative to the EUR, led by an increase in the oil price.

The investments in peripheral Europe continues to perfume well. After a general lift in long-term interest rates in end of June, initiated by what the market viewed as hawkish comments by Mario Draghi, rates decreased again in July. In peripheral Europe, interest rates fell more than in Germany, leading to a fall in the credit spreads. Interest rates in Croatia now at the lowest level YTD, while the interest rate in Portugal is back at the level they were before the Draghi comments.

Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last Month	-1.3%	-3.2%
Year to date	-2.3%	-5.3%
Last year	0.1%	-7.8%
Last 3 years	3.6%	5.8%
Last 5 years	5.2%	3.8%
Last 10 years	5.0%	5.3%
Since start	5.2%	4.5%

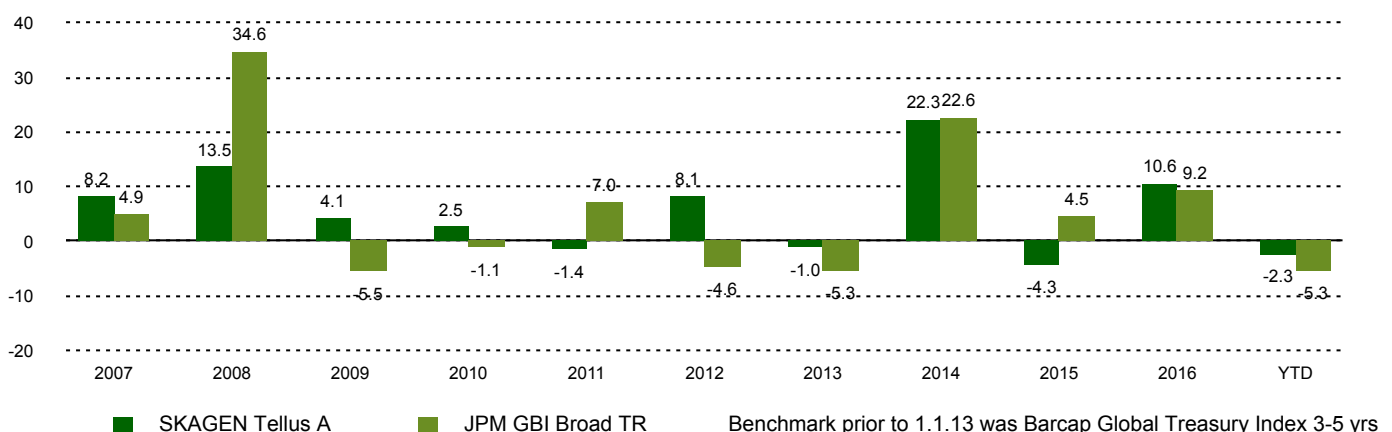
SKAGEN Tellus invests primarily in bonds and certificates issued or guaranteed by governments from around the world.

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	120.19 SEK
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR
AUM (mill.)	931.31 SEK
Duration	3.97
WAL	5.29
Yield	2.74%
Number of holdings	14
Lead manager	Jane Tvedt

Performance last ten years



Contributors

Largest contributors

Holding	Weight (%)	Contribution (%)
Norwegian Government	10.49	0.26
Croatia	7.27	0.11
Portugese Government	7.53	0.09
Canadian Government	5.67	0.05
Spanish Government	6.48	0.04

Largest detractors

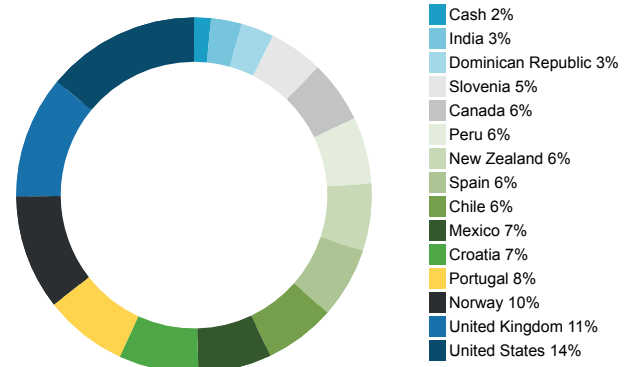
Holding	Weight (%)	Contribution (%)
US Government	14.13	-0.39
UK Government	11.06	-0.18
Mexican Government	6.68	-0.17
Peruvian Government	5.99	-0.12
Dominican Republic	2.97	-0.06

Absolute contribution based on NOK returns at fund level

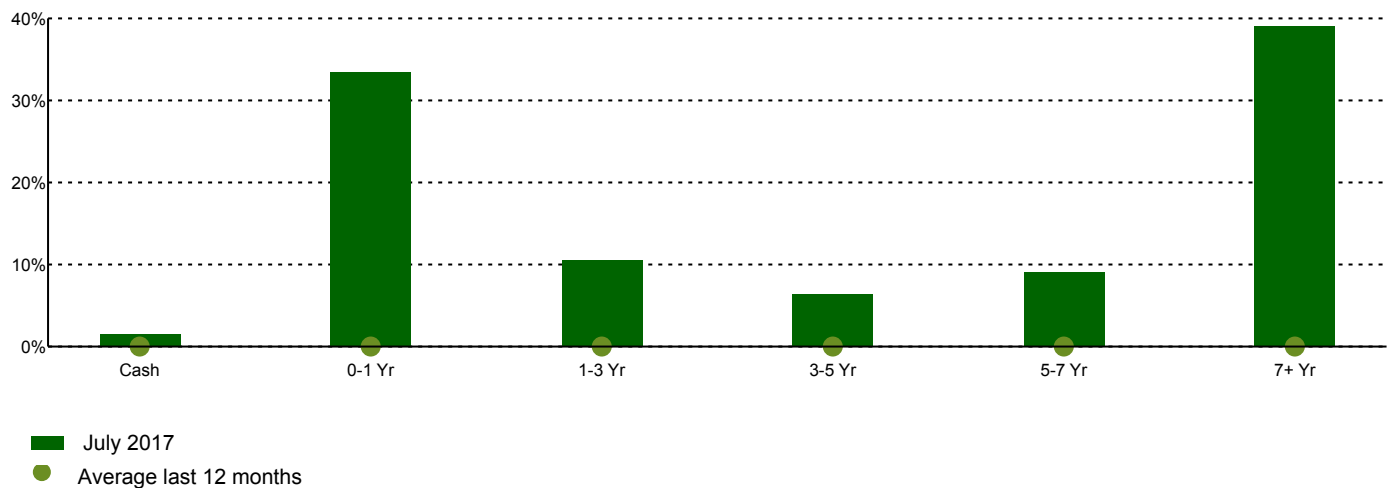
Top 10 investments

Holding	Percentage of Fund
US Treasury N/B	13.97
UK Government	11.14
Norwegian Government	10.43
Portugese Government	7.60
Croatia Government International Bond	7.25
Mexican Government	6.66
REPUBLIC OF CHILE	6.44
Spanish Government	6.43
NEW ZEALAND GOVERNMENT	6.11
REPUBLIC OF PERU	6.09
Total	82.12

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.