

All data in SEK as of 28.02.2018 unless otherwise stated.

## Performance Commentary

Tellus had a weak month compared with the index. The main reason for the underperformance was the appreciation of JPY and USD relative to EUR. Tellus has no exposure to JPY and is underweight USD.

Chile was the best performer in February due to a solid appreciation of CLP relative to EUR. A high copper price is very good for the world's largest copper producer. Our investments in short-dated US treasuries also performed well.

Greece was the weakest performer in February. Interest rates rose sharply, causing the prices on our two bonds to fall by 7 and 9 percent, respectively. The interest rate rose partly on the back of Greece issuing a new government bond. In illiquid markets like the Greek one, investors' repositioning between different bonds can create volatility. Furthermore, the creditors agreed to postpone the next bailout tranche which was expected to arrive in February. The Novartis corruption scandal also contributed to the turmoil. The volatility is most likely temporary. The deferral of payment is due to technical delays in a few of the many agreed reforms and Greece will most likely get the money in March. On the positive side, Greece was upgraded by Fitch.

## Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last month	3.6%	4.6%
Year to date	2.4%	2.0%
Last year	2.6%	-2.0%
Last 3 years	0.8%	2.2%
Last 5 years	6.1%	6.3%
Last 10 years	5.6%	5.1%
Since start	5.4%	4.6%

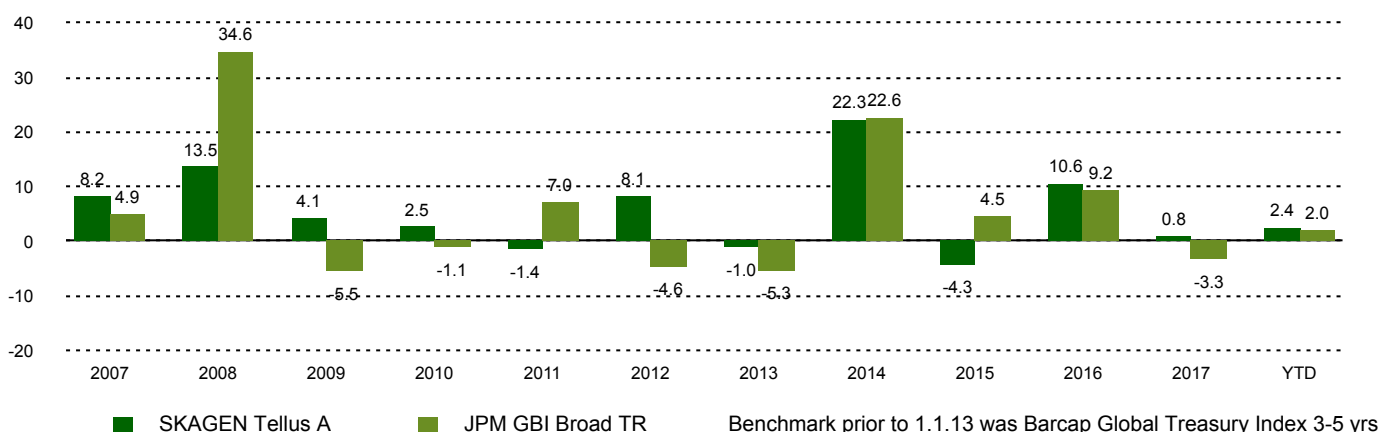
SKAGEN Tellus invests primarily in bonds and certificates issued or guaranteed by governments from around the world.

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	121.92 SEK
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR
AUM (mill.)	837.67 SEK
Duration	4.18
WAL	5.72
Yield	3.89%
Number of holdings	14
Lead manager	Jane Tvedt

## Performance last ten years



## Contributors in the month

### Largest contributors

Holding	Weight (%)	Contribution (%)
Republic of Chile	6.76	0.24
US Government	10.35	0.23
Mexican Government	7.15	0.10
Uruguay Government	7.39	0.08
Dominican Republic	5.87	0.08

### Largest detractors

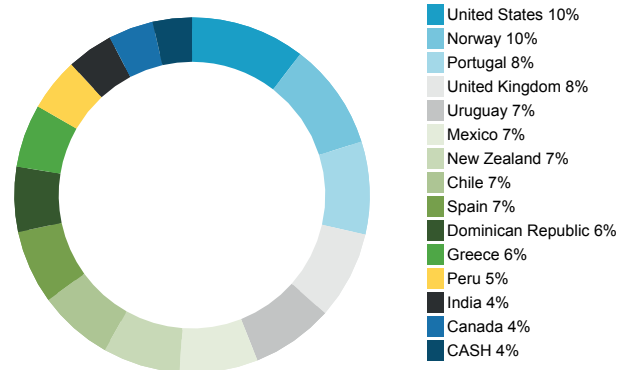
Holding	Weight (%)	Contribution (%)
Republic of Greece	5.98	-0.48
Canadian Government	4.14	-0.08
Norwegian Government	9.82	-0.06
Asian Development Bank	4.24	-0.05
Portuguese Government	8.47	-0.04

Absolute contribution based on NOK returns at fund level

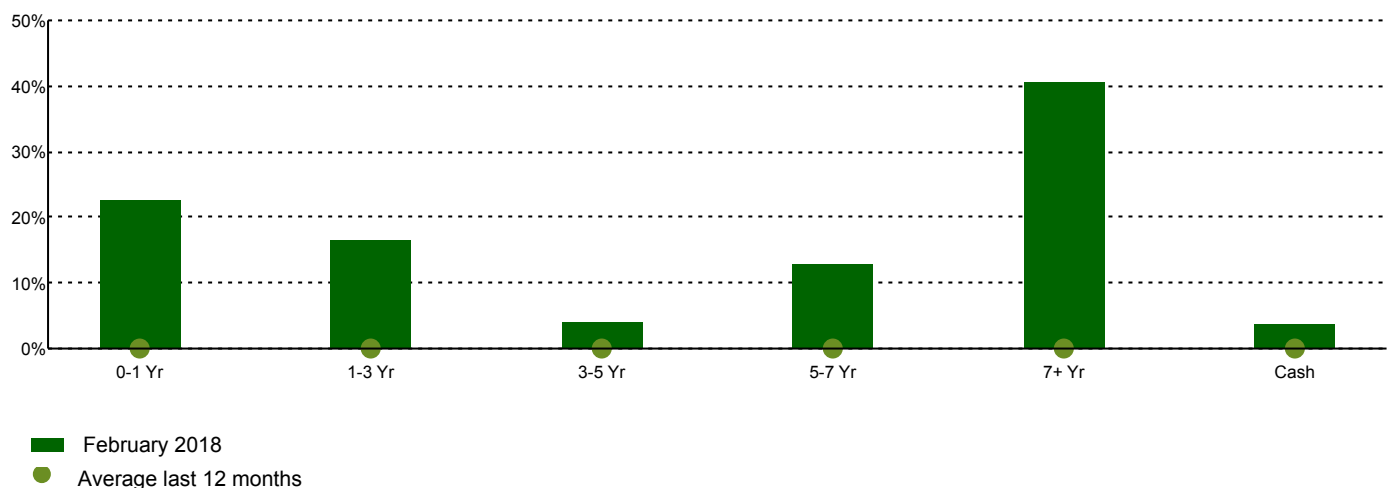
## Top 10 investments

Holding	Percentage of Fund
US Treasury N/B	10.4
Norwegian Government	9.7
Portugese Government	8.4
UK Government	8.0
Uruguay Government	7.4
Mexican Government	7.1
NEW ZEALAND GOVERNMENT	7.0
REPUBLIC OF CHILE	6.8
Spanish Government	6.7
Dominican Republic	5.9
Total	77.6

## Country exposure



## Maturity structure



## Contact



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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.