Monthly Report

SKAGEN Focus A

All data in EUR as of 31/05/2021 unless otherwise stated.

SKAGEN
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Performance Commentary

The global equity markets continued to grind higher in May, with the substantial rotation into value assets creating an underlying tailwind for the fund. SKAGEN Focus generated solid absolute and relative returns in May driven by company specific re-rating catalysts. One of the largest contributors was gold miner Roxgold following solid fundamental progress and the re-rating of Fortuna Silver. The latter is in process of acquiring the company with its own shares. Another solid position was car-rental company SIXT on indications that revenue may normalise ahead of expectations. We hold the preference share in the company, which trades at a 40% discount to the already discounted ordinary shares. We scaled back our position in copper producer Ivanhoe Mines as the stock has re-rated sharply and is closing in on our price target. Japanese Sumitomo Osaka Cement was weaker in the month as the company guided for higher input costs but continues to trade at a vast discount to fair value. Pulp producer Ence gave back some of its recent gains as pulp prices seem to be consolidating at current levels. We exited our position in waste recycling company Befesa as the stock hit our price target and was replaced by an increased position in graphite electrode producer GrafTech.

SKAGEN Focus is a high conviction equity fund that seeks to generate long-term capital growth by investing in a portfolio of global companies with a bias towards small and mid-cap companies.

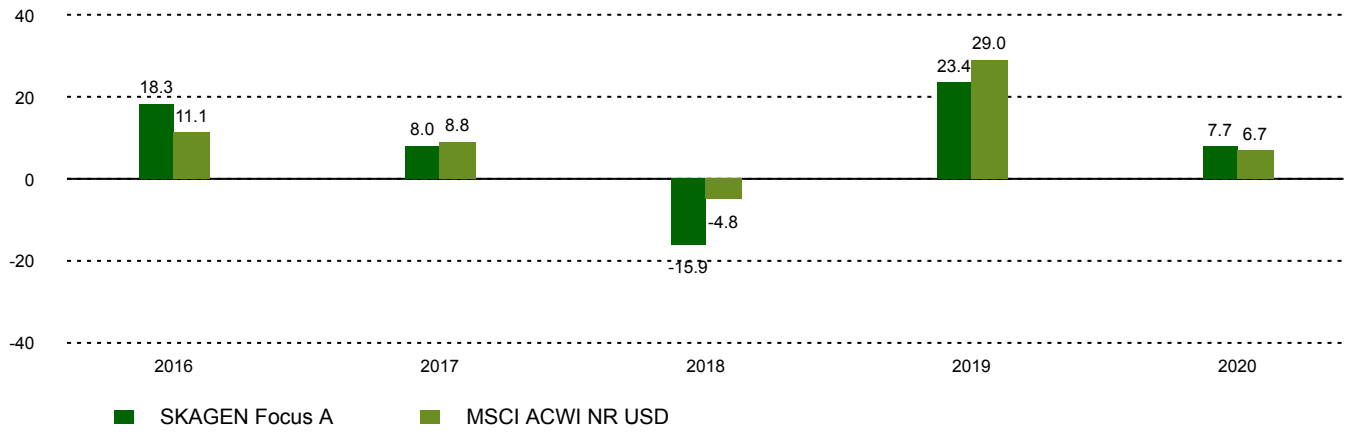
Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last month	1.7%	0.0%
Year to date	19.5%	10.9%
Last year	62.4%	29.5%
Last 3 years	8.7%	12.0%
Last 5 years	10.7%	12.0%
Last 10 years	n/a	n/a
Since start	6.3%	8.5%

Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	17.11 EUR
Fixed management fee	1.60%
Total expense ratio (2020)	1.70%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	172.58 EUR
Number of holdings	42
Portfolio manager	Jonas Edholm

Performance last ten years



Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
Roxgold Inc	5.48	0.77
Nova Ljubljanska Banka	2.32	0.41
Argonaut Gold Inc	2.46	0.39
KB Financial Group Inc	3.94	0.30
Ivanhoe Mines Ltd	5.07	0.29

Largest detractors

Holding	Weight (%)	Contribution (%)
Parex Resources Inc	2.69	-0.21
Sumitomo Osaka Cement Co	1.66	-0.21
UPM-Kymmene Oyj	2.71	-0.07
Daiwa Industries Ltd	1.05	-0.06
MagForce AG	1.55	-0.05

Absolute contribution based on NOK returns at fund level

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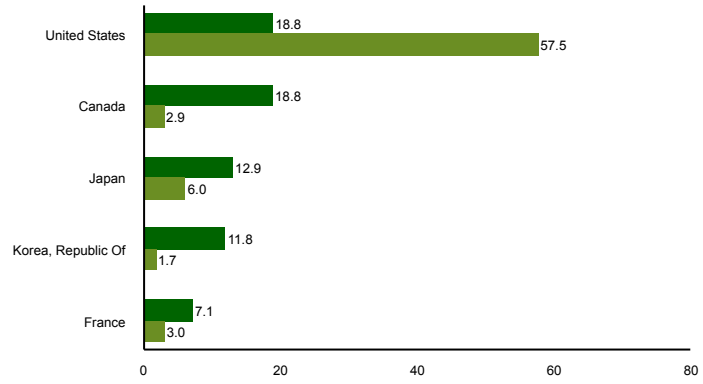
Top ten investments

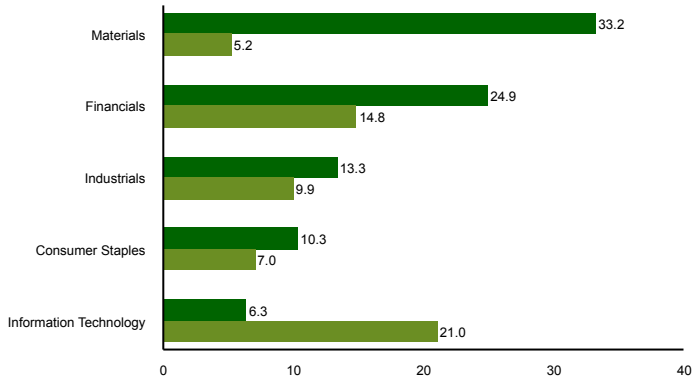
Holding	Sector	Country	%
Roxgold Inc	Materials	Canada	5.5
KB Financial Group Inc	Financials	Korea, Republic Of	4.2
Ivanhoe Mines Ltd	Materials	Canada	4.1
Hitachi Ltd	Information Technology	Japan	3.7
Albertsons Cos Inc	Consumer Staples	United States	3.7
Sixt SE	Industrials	Germany	3.5
Korean Reinsurance Co	Financials	Korea, Republic Of	3.3
Argonaut Gold Inc	Materials	United States	3.2
Wienerberger AG	Materials	Austria	3.2
Pilgrim's Pride Corp	Consumer Staples	United States	2.9
Combined weight of top 10 holdings			37.2

Country exposure (top five)



SKAGEN Focus A MSCI ACWI NR USD

Sector exposure (top five)



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Important information

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