

Performance Commentary

We continued to see strong performance in financial markets in February, fuelled by a more dovish Fed and hopes of a trade deal between the US and China.

The long-term yields in large developed markets were relatively stable in February. In contrast, yields in emerging markets and peripheral Europe decreased, which contributed to the fund's outperformance. Appreciation of emerging market currencies and Tellus' underweight in JPY also contributed to outperformance.

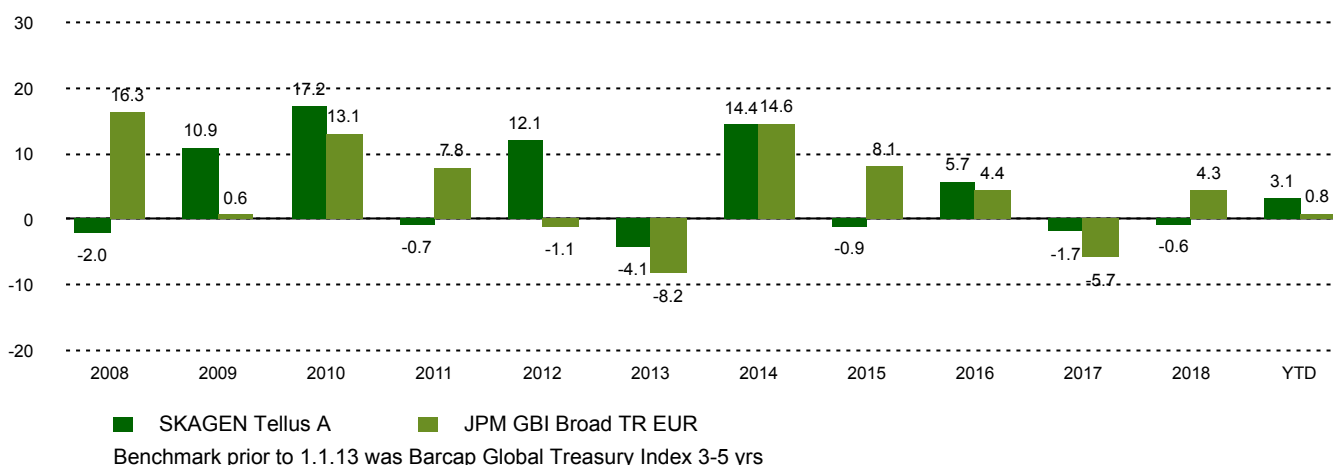
The strongest performers in January were our investments in the US, Peru, the UK, Mexico and Chile. Our holdings in short-dated Treasury Bonds contributed most to performance thanks to a USD appreciation of 0.7 percent versus the euro. The holding makes up 20% of the fund, hence relatively small movements in the USDEUR have a noticeable impact on performance. Our Peruvian and UK investments gained from appreciating currencies. The GBP appreciated on hopes that the Brexit date will be extended and reduced fears of a hard Brexit.

Our Norwegian krone investment was the laggard in the portfolio. The NOK unexpectedly depreciated versus EUR in February. We sold out of Spain in the month after good returns and limited further upside.

Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last month	1.3%	-0.1%
Year to date	3.1%	0.8%
Last year	3.1%	6.2%
Last 3 years	1.8%	-0.2%
Last 5 years	3.5%	4.6%
Last 10 years	5.6%	3.4%
Since start	4.5%	4.0%

Performance last ten years



Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
Republic of Chile	7.33	0.39
Mexican Government	6.61	0.38
Norwegian Government	13.14	0.32
Republic of Uruguay	6.19	0.16
Portuguese Government	6.84	0.13

Largest detractors

Holding	Weight (%)	Contribution (%)
Asian Development Bank	2.21	-0.09
US Government	21.22	-0.04
Czech Republic	6.81	0.00
Spanish Government	1.55	0.02
Dominican Republic	3.91	0.06

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.

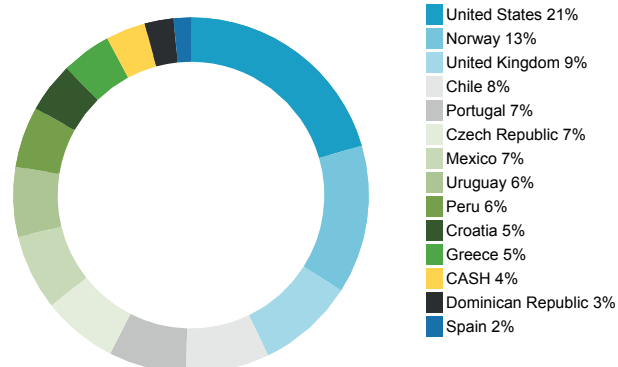
Fund Facts

Type	Fixed income
Domicile	Norway
Launch date	29.09.2006
Morningstar category	Global Bond - EUR Biased
ISIN	NO0010327786
NAV	11.87 EUR
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR EUR
AUM (mill.)	67.94 EUR
Duration	2.90
WAL	3.99
Yield	4.07%
Number of holdings	13
Portfolio manager	Jane Tvedt

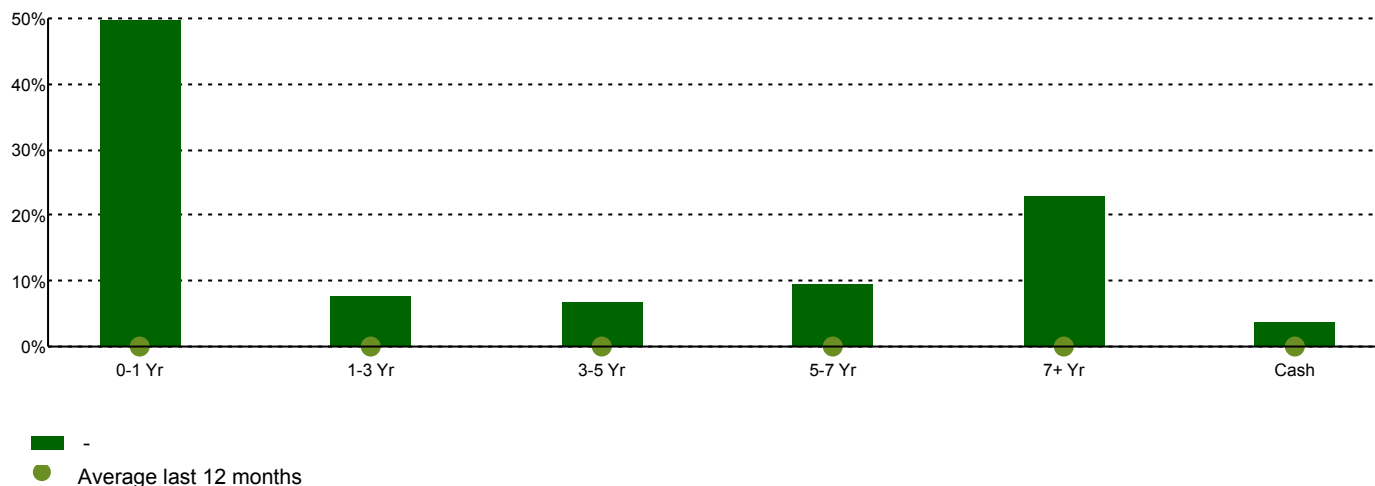
Top 10 investments

Holding	Percentage of Fund
US TREASURY N/B	20.5
Norwegian Government	13.5
UK Government	8.9
REPUBLIC OF CHILE	7.6
Portugese Government	7.0
CZECH REPUBLIC	6.9
Mexican Government	6.8
Uruguay Government	6.3
REPUBLIC OF PERU	5.6
Croatia Government International Bond	4.5
Total	87.7

Country exposure



Maturity structure



Contact



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Post Box 160, 4001, Stavanger, Norway

Important information

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