Monthly Report

SKAGEN Tellus A

All data in EUR as of 30/10/2020 unless otherwise stated.

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Performance Commentary

Long-term interest rates were down in large parts of the world in October with the US being an important exception. The yield on 10-year US government bonds increased roughly 20 basis points during the month from just below 0.7% to just below 0.9%. This was driven by both increased inflation expectations and higher real rates. SKAGEN Tellus outperformed the benchmark index slightly in October. The largest positive contributors were Mexico and Indonesia thanks to strong currency appreciation while the main laggards were the Czech Republic and the US, driven by both weaker currencies and higher rates. The speed of economic recovery from the adverse effects of COVID-19 is still highly unclear and recent surges in the number of people infected show that the virus still poses a serious threat. While near-term market developments remain uncertain, in the long-term, we expect our investments to perform well given their strong fundamentals.

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.

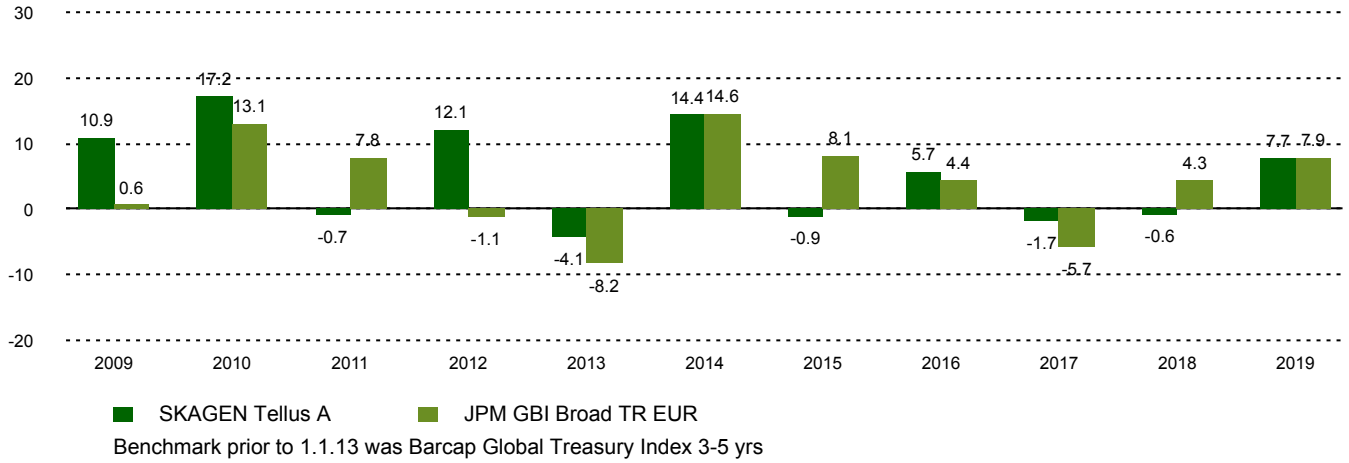
Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last month	0.4%	0.4%
Year to date	-4.5%	3.0%
Last year	-3.8%	1.5%
Last 3 years	0.7%	4.5%
Last 5 years	1.1%	2.8%
Last 10 years	2.8%	3.4%
Since start	3.9%	4.3%

Fund Facts

Type	Fixed income
Domicile	Norway
Launch date	29.09.2006
Morningstar category	Global Bond - EUR Biased
ISIN	NO0010327786
NAV	11.08 EUR
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR EUR
AUM (mill.)	39.88 EUR
Duration	4.90
WAL	5.92
Yield	2.67%
Number of holdings	13
Portfolio manager	Jane Tvedt

Performance last ten years



Benchmark prior to 1.1.13 was Barcap Global Treasury Index 3-5 yrs

Contributors in the month

Largest contributors

Holding	Weight (%)	Contribution (%)
Mexican Bonos	7.26	0.24
European Bank for Recon & Dev	5.17	0.23
United States Treasury	25.78	0.11
Dominican Republic	4.05	0.10
Croatia Government	7.47	0.06

Largest detractors

Holding	Weight (%)	Contribution (%)
Czech Republic	7.15	-0.17
Norway Government Bond	5.98	-0.09
United Kingdom Gilt	8.62	0.00
Peruvian Government	7.16	0.00
Uruguay Government	6.69	0.01

Absolute contribution based on NOK returns at fund level

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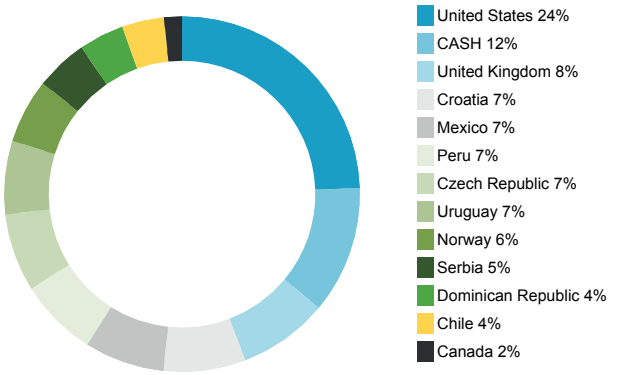
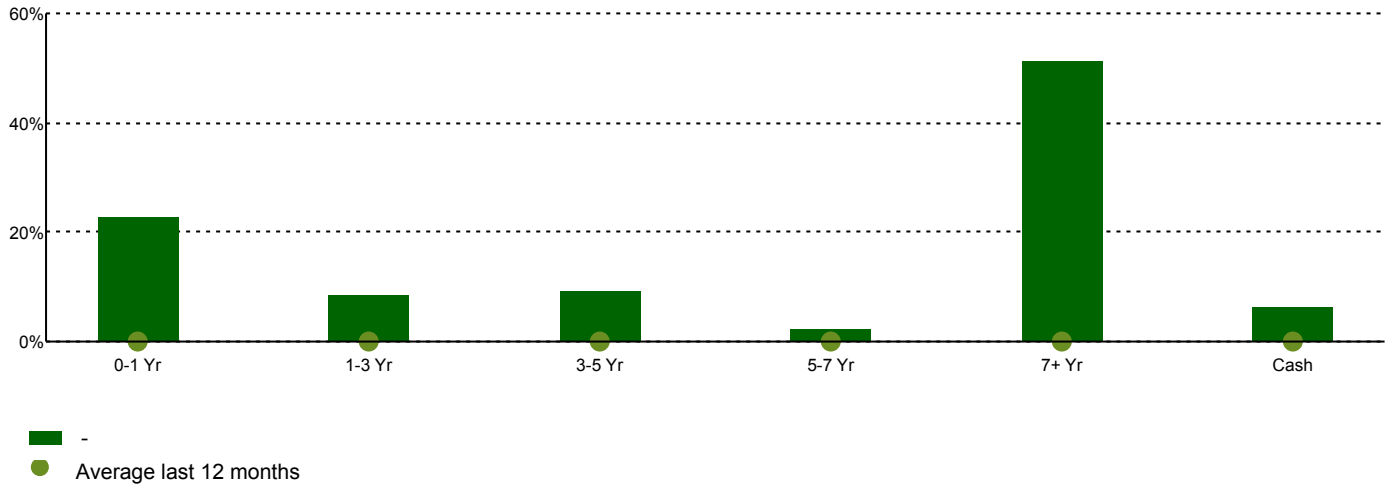
Top 10 investments

Holding	Percentage of Fund
US Government	24.5
UK Government	8.2
Republic of Croatia	7.5
Mexico	7.3
Republic of Peru	7.2
Czech Republic Government	7.1
Oriental Republic of Uruguay	6.7
Kongeriket Norge	5.9
European Bank for Reconstruction & Development	5.3
Republic of Serbia	4.7
Total	84.1

Country exposure



Maturity structure



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Important information

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