



## Fund facts

**ISIN:** NO0008000445

**Launch date, share class:** 01.12.1993

**Launch date, fund:** 01.12.1993

**Domicile:** NO

**NAV:** 388.56 EUR

**AUM:** 919 MEUR

**Benchmark index:** MSCI Nordic/MSCI AC ex. Nordic

**Minimum purchase:** 50 EUR

**Fixed management fee:** 1.00 %

**Performance fee:** 10 % (see prospectus for details)

**Ongoing charge:** 1.00 %

**Number of holdings:** 50

**SFDR:** Article 8



**Søren Milo Christensen**  
Managed fund since  
09 April 2018



**Sondre Solvoll  
Bakketun**  
Managed fund since  
08 November 2022

## Investment strategy

SKAGEN Vekst invests in companies that are attractively priced relative to expected profitability and growth. The majority of the fund is invested in the Nordic region and the remainder worldwide. The fund is suitable for investors with a minimum five-year investment horizon. Subscriptions are made in fund units and not directly in stocks or other securities. The benchmark reflects the fund's investment mandate. Since the fund is actively managed, the portfolio will deviate from the composition of the benchmark. Effective 01.01.2014, the fund's investment mandate changed from investing a minimum of 50% of its assets in Norway to investing a minimum of 50% of its assets in the Nordic countries. This means that returns prior to the change were achieved under different circumstances than they are today.

# SKAGEN Vekst A

RISK PROFILE



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YTD RETURN

0.90 %

31.01.2024

ANNUAL RETURN

10.79 %

Average last 5 years

Monthly report for January as of 31.01.2024. All data in EUR unless otherwise stated.

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. The fund's Key Investor Information Document and prospectus are available on [www.skagenfunds.com](http://www.skagenfunds.com)

## Historical return in EUR (net of fees)



Prior to 01.01.2014, the benchmark index was an evenly composed benchmark index consisting of the Oslo Stock Exchange Benchmark Index (OSEBX) and the MSCI All Country World. The benchmark index prior to 01.01.2010 was the Oslo Stock Exchange Benchmark Index (OSEBX).

Period	Fund (%)	Index (%)	Key figures	1 year	2 years	3 years
Last month	0.90	1.69	Standard deviation	-	-	13.32
Year to date	0.90	1.69	Standard deviation index	-	-	14.72
Last 12 months	9.52	14.44	Tracking error	-	-	7.49
Last 3 years	11.25	8.84	Information ratio	-	-	0.32
Last 5 years	10.79	11.30	Active share: 81 %			
Last 10 years	7.36	9.88				
Since inception	12.22	9.68				

Returns over 12 months are annualised.

## Monthly commentary, January 2024

**Global equity markets generally had a strong start to the new year driven by renewed hopes of lower interest rates combined with a manageable slowdown in economic growth. SKAGEN Vekst also posted a solid return, although lagged the benchmark due to a lower weighting in the large US IT stocks that continue to drive the overall market. One of the key developments in January was increased signals out of Korea that they are finally ready to address the so called "Korean discount", similar to what we have seen in Japan. SKAGEN Vekst is extremely well positioned to benefit from this trend via our holdings in KB Financial, Korean Reinsurance, SK Square, Samsung Electronics, and SK Telecom.**

The Danish pharma giant Novo Nordisk was the largest contributor to the fund's absolute return in January following yet another exceptionally strong result. The company continued to post solid growth in so-called GLP-1 sales (diabetes and obesity combined) that also helps boost margins via operating leverage. Growth continued to be held back by supply constraints in Novo's new obesity drug Wegovy. We were therefore pleased to hear management reiterate that there will be significantly more supply in the market over the next 12 months. While the stock trades at elevated multiples vs. current earnings, we continue to see the market underestimating the company's growth opportunity in obesity. We also believe the market is completely disregarding the potentially huge opportunity the company has in the treatment of Alzheimer's. The US IT company Broadcom was once again among the largest positive contributors in January driven by continued market focus on companies with exposure to AI. While there was no company specific news this month, the earnings announcements from all the big tech companies supported our view that none of them can afford to lose the AI-race, and will continue to invest heavily in

this area. While the stock has done well, we still do not see this being fully reflected in the current share price, and the company continues to trade at a significant discount to other AI-related companies. The Chinese oil and gas company CNOOC was another strong performer. The company delivered a solid earnings report showing strong production growth while maintaining its efficiency in capital expenditure. Management also gave a positive impression around boosting the currently low valuation. While the stock has done exceptionally well since we bought it, this has entirely been driven by higher earnings. Thus, we continue to see significant upside from a combination of an attractive dividend yield, decent earnings growth, and the potential of more buybacks.

After a stellar performance in December, Bonheur fell back sharply in January. No major news drove this derating but falling power prices and some profit taking after the strong end to 2023 were likely key drivers. Some positive news in the month was a new contract announcement from Fred Olsen Windcarrier for work in 2027 as well as multiple onshore wind farm transactions by peers with valuations that are supportive of our net asset value estimate. We took advantage of the weak stock price and added to our position. Another weak performer in January was Boliden which fell back after a strong December. The weakness was driven by falling metals prices as well as weak treatment charges for smelters. 2023 was challenging both operationally and in terms of market prices, and expectations of improvements in 2024 have been lowered lately. We still believe in the long-term case for the company and see it as well positioned for an eventual rebound in end markets driving metals prices higher. Samsung Electronics also had a difficult month as the overall memory industry continues to struggle with low profitability. We continue to see upside in the stock as we strongly believe it is a matter of time before this is resolved. All the memory players have behaved rationally in the current downcycle, cutting investments in new production capacity. In the medium to long term, memory demand should benefit from massive investments in AI.

We increased our position in the Korean Bank KB Financials, as we see higher domestic pressure for companies trading at a significant discount to book value to address this. The stock continues to trade at half the valuation of Japanese peers, despite having a superior profitability. Following strong share price performance, we reduced our position in Novo Nordisk.

Overall, we still favour attractively priced companies within the financial, industrial, and energy sectors. These are also sectors where earnings expectations and valuation will not be unduly hurt in an environment where inflation does not return to the abnormally low levels we saw in the aftermath of the pandemic. Following last month's rise, we again see substantial downside risk in a lot of highly priced growth companies, particularly in the US stock market. If the current consensus of sharply falling inflation and interest rates proves to be correct, we expect the fund to lag the overall market, but still provide a decent absolute return in 2024. However, if inflation does not come down as fast as everyone expects, the fund should provide much better downside protection than the benchmark – similar to what we saw in 2022.

## Contribution last month

 Largest contributors	Weight (%)	Contribution (%)	 Largest detractors	Weight (%)	Contribution (%)
Novo Nordisk A/S	8.85	1.04	Bonheur ASA	2.96	-0.32
Broadcom Inc	4.37	0.40	Boliden AB	2.12	-0.27
Cnooc Ltd	2.64	0.36	Samsung Electronics Co Ltd	3.20	-0.21
Citigroup Inc	2.69	0.32	CK Asset Holdings Ltd	1.78	-0.14
Nokia Oyj	1.92	0.20	Volvo AB	2.78	-0.12

Absolute contribution based on NOK returns at fund level.

## Portfolio information

Top 10 investments	Share (%)	Country exposure	Share (%)	Sector exposure	Share (%)
Novo Nordisk A/S	9.2	Denmark	20.4	Financials	20.0
Broadcom Inc	4.4	United States	14.9	Industrials	16.7
Nordea Bank Abp	4.0	South Korea	10.9	Information technology	12.7
Telenor ASA	3.6	Finland	10.9	Health care	11.3
ISS A/S	3.5	Norway	9.4	Communication Services	10.2
Yara International ASA	3.3	China	8.6	Materials	9.2
UPM-Kymmene Oyj	3.3	Sweden	8.5	Consumer Staples	7.1
KB Financial Group Inc	3.1	Brazil	3.3	Energy	6.2
Shell PLC	3.1	Netherlands	3.1	Consumer discretionary	2.4
Essity AB	3.1	Hong Kong SAR China	2.7	Real estate	1.7
<b>Total share</b>	<b>40.6 %</b>	<b>Total share</b>	<b>92.7 %</b>	<b>Total share</b>	<b>97.6 %</b>

## Sustainability

### SKAGEN's approach to sustainability

Our ESG approach is built on four pillars. In keeping with SKAGEN's active investment philosophy, our sustainability activities centre on active engagement with our holding companies, which is where we believe we can have the greatest impact. We recognise, however, that the full potential of a sustainable investment strategy is best realised when combining the following four pillars.

- ✓ Exclusion
- ✓ Enhanced due diligence
- ✓ ESG factsheet
- ✓ Active ownership

## IMPORTANT INFORMATION

This is a marketing communication. Except otherwise stated, the source of all information is Storebrand Asset Management AS. Statements reflect the portfolio managers viewpoint at a given time, and this viewpoint may be changed without notice.

Future fund performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future.

The tax treatment of the gains and losses made by the investor and distributions received by the investor depend on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the Fund, investors are urged to consult with their tax advisor for a complete understanding of the tax regime, which is applicable to their individual case.

Storebrand Asset Management AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds and has its registered office at Professor Kohts vei 9, 1366 Lysaker, Norway. Storebrand Asset management AS is part of the Storebrand Group and owned 100% by Storebrand ASA. Storebrand Group consists of all companies owned directly or indirectly by Storebrand ASA.

Following the merger of Storebrand Asset Management AS and SKAGEN AS, SKAGEN's portfolio team will continue to manage the funds' portfolios from the new separate legal entity, SKAGEN AS, while Storebrand Asset Management AS carries out the role of the management company.

No offer to purchase units can be made or accepted prior to receipt by the offeree of the Fund's prospectus and PRIIPS KID (for UK: KIID) and the completion of all appropriate documentation. You can download more information including subscription/redemption forms, full prospectus, PRIIPs KID (for UK: KIID), General Commercial Terms, Annual Reports and Monthly Reports in English language from SKAGEN's webpages.

Investors rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in English is available here: [www.skagenfunds.com/contact/investor-rights/](http://www.skagenfunds.com/contact/investor-rights/) The investor rights summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

Storebrand Asset Management AS may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

For further information about sustainability-related aspects of the Fund, including the sustainability disclosure summary in English, please refer to: [www.skagenfunds.com/sustainability/sustainable-investing/](http://www.skagenfunds.com/sustainability/sustainable-investing/) The sustainability disclosure summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus.

#### **Important information for UK Investors**

Storebrand Asset Management AS has established a subsidiary in the UK. Storebrand Asset Management UK Ltd is located at 15 Stratton Street, London, W1J 8LQ. Storebrand Asset Management UK Ltd is an Appointed Representative of Robert Quinn Advisory LLP, which is authorised and regulated by the Financial Conduct Authority. Storebrand Asset Management UK Ltd is incorporated in England and the registered office is at 15 Stratton Street, London, England, W1J 8LQ. The investment products and services of Storebrand Asset Management UK Ltd are only available to professional clients and eligible counterparties. They are not available to retail clients. For more information, please contact Storebrand Asset management UK Ltd.'s team.

#### **Important Information for Luxembourg Investors**

For more information, please contact SKAGEN's Stavanger based International team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.

#### **Important Information for Irish Investors**

For more information, please contact SKAGEN's Stavanger based International team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.

#### **Important Information for Dutch Investors**

For more information, please contact SKAGEN's Stavanger based international team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.

#### **Important Information for Icelandic Investors**

For more information, please contact SKAGEN's Stavanger based international team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.