

**INFORMATION IMPORTANTE :** Ceci est un contenu de communication marketing. Il ne doit pas être perçu comme une recommandation d'achat ou de vente de parts de fonds. Avant toute souscription, nous vous encourageons à lire le prospectus du fonds et le document d'informations clés pour l'investisseur (DICI) qui sont disponibles sur [www.skagenfunds.fr](http://www.skagenfunds.fr) et auprès de nos distributeurs.

## SKAGEN m2 weathered the storm in the quarter

The quarter got off to a good start as the European real estate market embarked on a strong recovery following the post-Covid opening of economies. The positive outlook evaporated overnight, however, when Russia invaded Ukraine. Given their high geopolitical risk, SKAGEN m2 did not own any positions within these two countries. However, we decided to sell down some of our holdings with assets in Eastern Europe to mitigate the risk of a cross-border escalation and increasing risk premiums. The stock markets reacted instantly and have since been volatile. The volatility is set to continue given the increased geopolitical uncertainty, slower economies and higher inflation pressure. Central banks continue their hawkish rhetoric around monetary tightening to manage inflation expectations. However, the likely outcome is that decisions will be in favour of financial stability and in practice there will be less aggressive tightening.

Inflationary pressure continues, which is mainly positive for real estate assets which can be viewed as a partial inflation hedge, as rent growth has historically outpaced inflation. Inflating prices can be passed on through rents, giving real estate assets a critical role in portfolio strategies. Property values may benefit as higher costs for land, labour and materials raise the economic threshold for new supply. Real estate in general is well positioned for this environment, and SKAGEN m2 holds many positions in resilient segments like health care, self-storage and residential housing. The fund was slightly negative at quarter end but outperformed its benchmark index significantly.

### Contributors and detractors

The best contributor in the quarter was Brazilian logistics operator LOG, which is recovering from a weak 2021 due to the macro turmoil in Brazil. After last year's M&A bonanza in the portfolio, the US office operator Paramount Group was subject to a bid from a private equity firm. This was something we had anticipated due to its depressed valuation along with more positive signals from the office markets. The bid was later rejected by the board as it did not reflect fair value and the situation is still pending. The Asian real estate investment manager CapitaLand Investment was

the third strongest performer in the quarter. CapitaLand got off to a strong start to the year after a restructuring process last year to streamline the company.

The largest detractor in the period was the Dutch-listed logistics operator CTP. The majority of the company's assets are located in Eastern European countries adjacent to the Ukraine and investors sold down on escalation fears. Norwegian Self Storage Group also detracted after a strong end to last year. The company's main shareholder, the private equity firm Centerbridge, increased its majority stake at low levels. The German residential operators LEG and Vonovia also detracted mainly on increasing German bunds lowering the yield spread.

### Portfolio activity

During the quarter the fund initiated a position in the US manufactured home operator Sun Communities at good levels. We also bought into the US hospitality name Sunstone Hotel Investors that is lagging its peers and has a strong position in the post-Covid recovery era targeting normalised earnings. We participated in the successful IPO of Swedish Logistic Property but sold out again at very good levels as we consider its peer, our portfolio company Catena, to have a stronger business model and long-term position.

At the end of the quarter, the European logistics company Warehouse de Pau initiated a position in Catena, something we consider as positive given the client synergies and complementary knowhow. We also bought a small position in the US light industrial operator Plymouth Industrial REIT but sold out after question marks arose in connection with the report.

We sold out of our long-term Hong Kong holding Far East Consortium which is struggling with continuing Covid lockdowns. We exited Hospitality Trust of America which reached fair value after activist Elliott took a position last year and initiated a strategic review.



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### Outlook

The valuation of global real estate is increasingly compelling both geographically and within sub-segments. Last year's relative laggards – Asia and Europe – continue to have attractive price tags in most segments and markets. However, there are big uncertainties for Europe given the ongoing war and its consequences. After last year's record performance for the US real estate sector, valuations were very stretched. The market is now less expensive following pressure from investors calibrating upcoming interest rate hikes and lower growth, however, it is not yet cheap on a general basis. Real estate continues to attract investors' money in the current inflationary environment, something that will have a positive effect on asset valuations. Record dry powder for the sector will drive M&A activity up further and push valuations in a positive direction.

Besides geopolitical risks, the biggest short-term risks for the sector are unexpected and fast-rising real rates, a rapid decline in economic growth or stagflation. We remain positive and conclude after the first quarter that our philosophy is solid and has once again served our clients well in turbulent times. The fund is well positioned for most scenarios thanks to our investment philosophy and disciplined stock selection. SKAGEN m2 continues to focus on companies that we consider to be resilient in trend-driven subsegments and with good cash flow generation and balance sheet structure.

SKAGEN M2 est un fonds qui permet d'accéder à des produits immobiliers internationaux habituellement peu accessibles. Le fonds sélectionne des entreprises sous cotées dont la qualité est annonciatrice de réévaluation prochaine sans dévier de notre objectif : obtenir le meilleur rendement ajusté au risque. Ce fonds est recommandé pour les horizons d'investissement de 5 ans et plus. Les souscriptions sont effectuées en parts de fonds et non directement en actions ou autres titres. Le fonds a un profil de risque 6. L'indice de référence reflète le mandat d'investissement du fonds. Le fonds étant géré activement, le portefeuille peut dévier de la composition de l'indice de référence.

## Performance historique

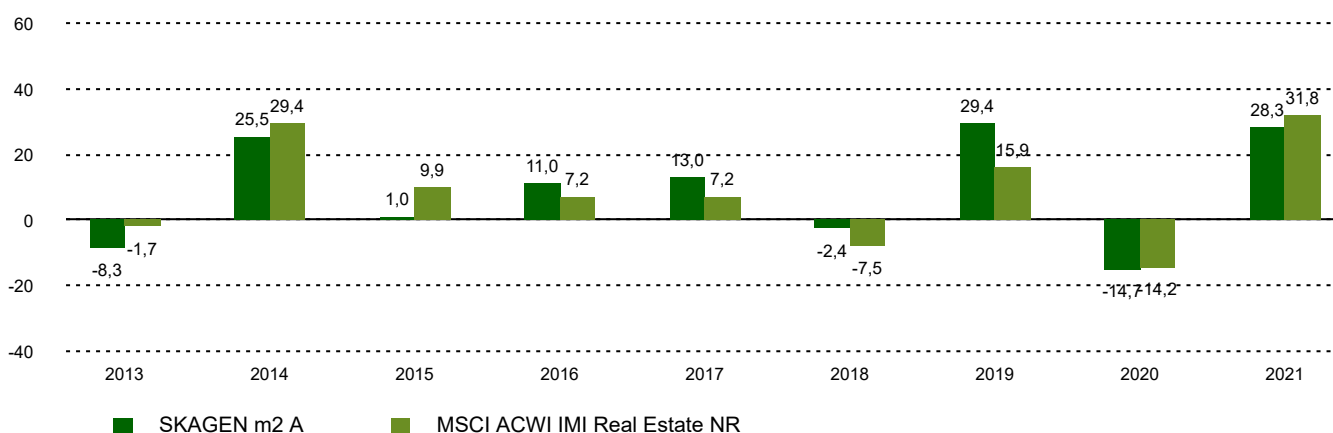
Période	SKAGEN m2 A	Indice de référence
Dernier mois	5,2%	4,9%
Trimestre en cours	-0,9%	-3,1%
Cumul annuel jusqu'à ce jour	-0,9%	-3,1%
Année dernière	21,2%	16,0%
3 dernières années	7,2%	2,7%
5 dernières années	8,6%	4,1%
10 dernières années	n/a	n/a
Depuis lancement	7,9%	7,4%

## Aperçu du fonds

Genre	Actions
Domicile	Norvège
Date de lancement	31.10.2012
Catégorie Morningstar	Immobilier - Indirect International
ISIN	NO0010657356
VL	27,64 EUR
Frais de gestion fixes	1.50% + performance fee*
Ratio du total des frais (2021)	1.19%
Indice de référence	MSCI ACWI IMI Real Estate NR
Actifs sous gestion (mio)	189,66 EUR
Nombre de participations	33
Gestionnaire principal	Michael Gobitschek

\*Commission de performance de 10,00% calculée quotidiennement et prélevée annuellement si l'évolution de la valeur du fonds est supérieure à celle de l'indice de référence. La commission de gestion totale perçue représente un maximum de 3,00% par an et un minimum de 0,75% par an. La commission de performance peut être perçue même si les parts du fonds se sont dépréciées si l'évolution de la valeur du fonds est supérieure à celle de l'indice de référence.

## Performance dix dernières années



Les rendements historiques ne sont pas une garantie de rendements futurs. Les rendements futurs dépendront, entre autres, de l'évolution des marchés, des compétences du gestionnaire du fonds, du profil de risque du fonds et des frais de gestion. Le rendement peut devenir négatif en raison de l'évolution négative des prix. Il existe un risque lié à l'investissement dans le fonds en raison de des mouvements du marché, de l'évolution des devises, du niveau des taux d'intérêt, des conditions économiques, sectorielles et propres aux entreprises.

## Contributeurs du trimestre



### Les plus grands contributeurs

Nom	Poids (%)	Contribution (%)
LOG Commercial Properties	3,23	1,04
Paramount Group Inc	3,25	0,85
Capitaland Investment	3,13	0,45
Switch Inc	4,20	0,37
Mitsui Fudosan Co	3,08	0,25



### Les plus grands détracteurs

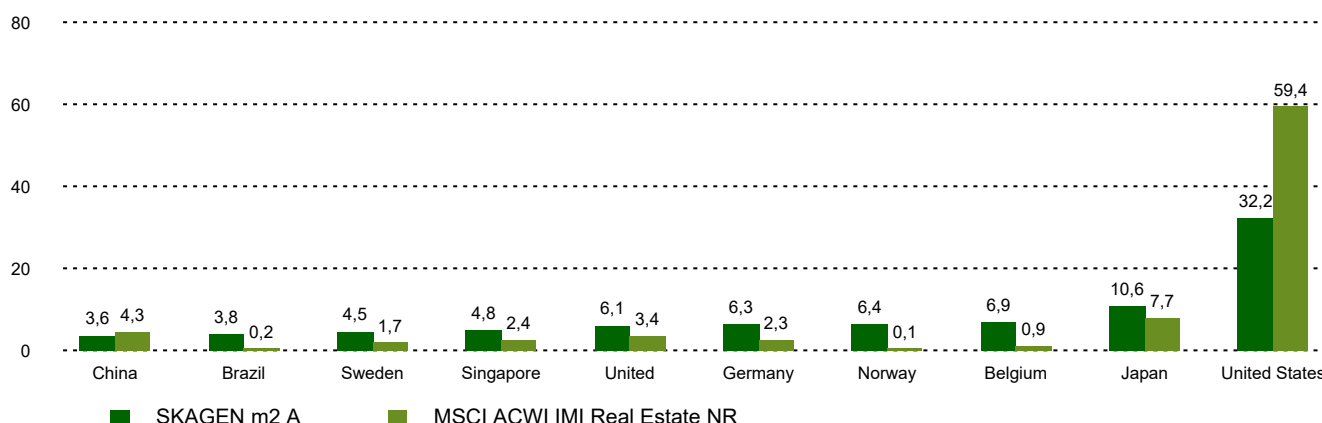
Nom	Poids (%)	Contribution (%)
CTP NV	3,50	-0,92
Self Storage Group	6,55	-0,78
LEG Immobilien	3,03	-0,61
UMH Properties Inc	4,76	-0,52
Vonovia SE	3,44	-0,49

Les pondérations indiquées représentent la moyenne sur la période. Basé sur rendements en NOK.

## Top dix principaux investissements

Nom	Secteur	Pays	%
Self Storage Group ASA	Industrials	Norway	6,4
UMH Properties Inc	Real Estate	United States	4,9
Switch Inc	Information Technology	United States	4,7
Prologis Inc	Real Estate	United States	4,6
Catena AB	Real Estate	Sweden	4,5
Shurgard Self Storage SA	Real Estate	Belgium	4,4
Grainger PLC	Real Estate	United Kingdom	3,9
LOG Commercial Properties e Participacoes SA	Real Estate	Brazil	3,8
ESR Cayman Ltd	Real Estate	China	3,6
Marcus Corp/The	Communication Services	United States	3,3
Poids combiné des 10 principales positions			44,0

## Exposition géographique (top 10)



## Information importante

Ce rapport s'adresse uniquement aux professionnels de l'investissement. Toutes les informations sont basées sur les données les plus récentes disponibles. Sauf indication contraire, les données de performance concernent les unités de classe A, net de frais. Montant du patrimoine sous gestion à la fin du mois précédent. Sauf indication contraire, la source de toutes les informations est SKAGEN AS. SKAGEN AS n'assume pas la responsabilité des pertes ou dépenses directes ou indirectes encourues par l'utilisation ou la compréhension de ce rapport. Les employés de SKAGEN AS peuvent être propriétaires de titres émis par des sociétés qui sont mentionnées dans ce rapport ou qui font partie du portefeuille d'un fonds. En France, CACEIS agit comme Agent Représentatif: CACEIS Bank, 1-3 place Valhubert,, 75206 Paris Cedex 13, France.



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Postboks 160, 4001 Stavanger, Norway