

## Performance Commentary

Despite the continued havoc being wrought by Covid-19, markets seemed to focus more on life and growth after the pandemic. Volatility fell in July, despite the increased trade tensions between the US and China and early signs of a tough upcoming US election in addition to the pandemic. The long-term yields in the large economies fell somewhat in July, due to a fall in real rates. Inflation expectations increased, while growth expectations fell. The US 10-year yield fell by 13 basis points while the German 10-year yield fell by 6 basis points. The uncertainty regarding the US economy and political situation was mirrored in the USD, which depreciated by 4.8% versus the EUR. Our investments in Croatia and Chile were the best contributors to fund performance. The Croatian credit spread versus Germany decreased by 35 basis points for the 10-year bond we have invested in. The good performance is due to market sentiment, the large election victory of the ruling conservative party HDZ and the fact that Croatia is set to join the European Central Bank's Exchange Rate Mechanism II (ERM II). The strong performance of our Chilean investment was due to the CLP appreciating by 3.2% versus EUR. Our investments in the USA and Indonesia were the laggards, both due to depreciating currencies.

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.

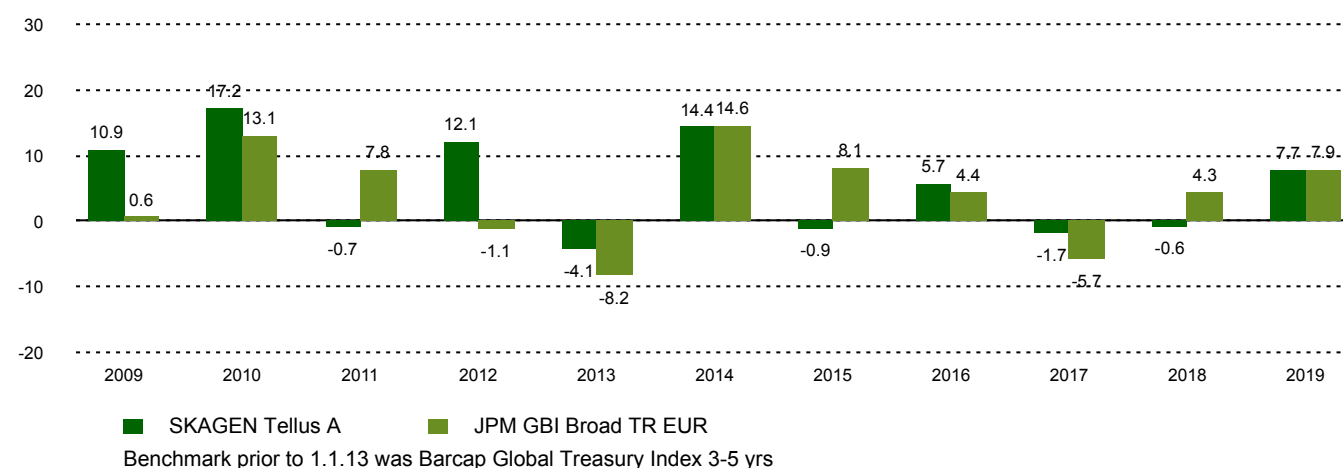
## Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last month	-0.7%	-1.8%
Year to date	-4.9%	2.3%
Last year	-4.6%	2.5%
Last 3 years	0.6%	4.5%
Last 5 years	0.7%	2.9%
Last 10 years	2.7%	3.3%
Since start	4.0%	4.3%

## Fund Facts

Type	Fixed income
Domicile	Norway
Launch date	29.09.2006
Morningstar category	Global Bond - EUR Biased
ISIN	NO0010327786
NAV	11.03 EUR
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR EUR
AUM (mill.)	42.00 EUR
Duration	5.00
WAL	5.79
Yield	2.35%
Number of holdings	12
Portfolio manager	Jane Tvedt

## Performance last ten years



## Contributors in the month



### Largest contributors

Holding	Weight (%)	Contribution (%)
Croatian Government	7.00	0.27
Chile Government	7.47	0.21
United Kingdom Gilt	9.84	0.15
Serbian Government	4.83	0.10
Dominican Republic	3.61	0.10



### Largest detractors

Holding	Weight (%)	Contribution (%)
United States Treasury	25.72	-1.22
European Bank for Recon & Dev	4.89	-0.26
Peruvian Government	7.45	-0.09
Uruguay Government	6.02	-0.03
Mexican Government	4.50	0.00

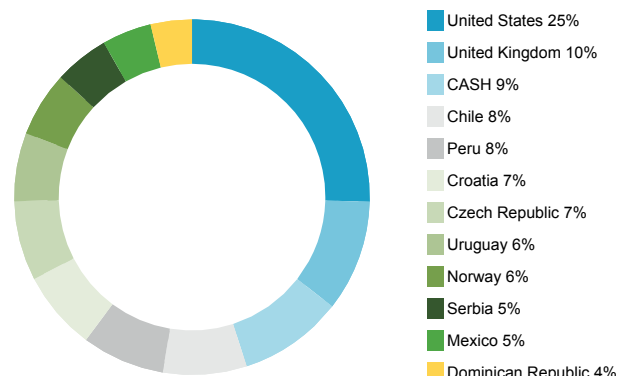
Absolute contribution based on NOK returns at fund level

The art of common sense

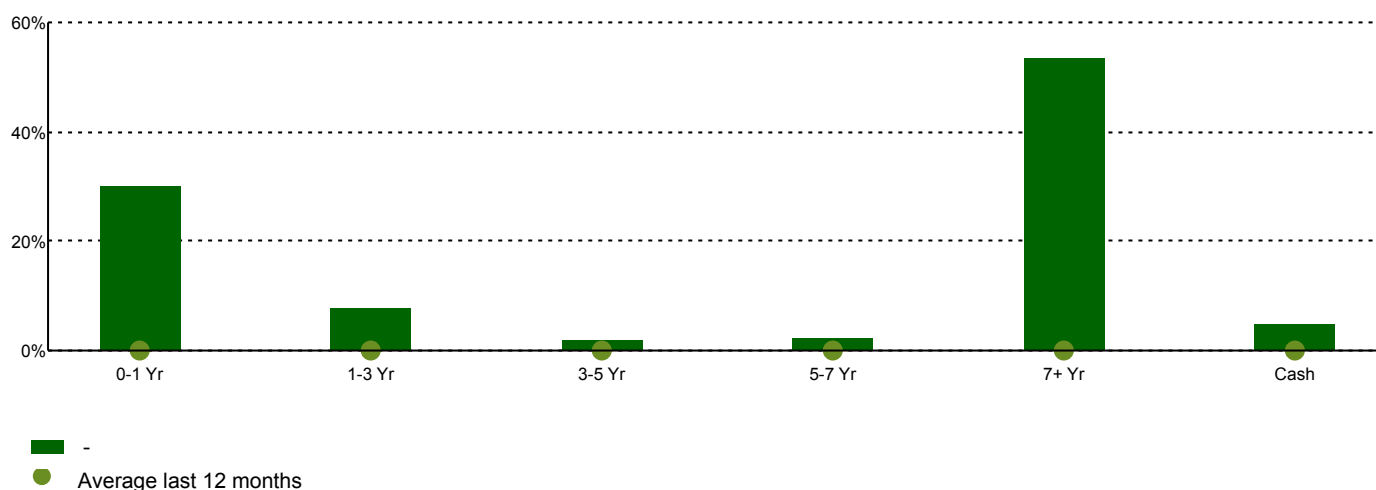
## Top 10 investments

Holding	Percentage of Fund
US Government	25.4
UK Government	10.1
Republic of Chile	7.6
Republic of Peru	7.5
Republic of Croatia	7.2
Czech Republic Government	7.2
Oriental Republic of Uruguay	6.2
Kongeriket Norge	5.9
Republic of Serbia	5.0
European Bank for Reconstruction & Development	4.9
Total	87.1

## Country exposure



## Maturity structure



## Contact



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## Important information

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