

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.

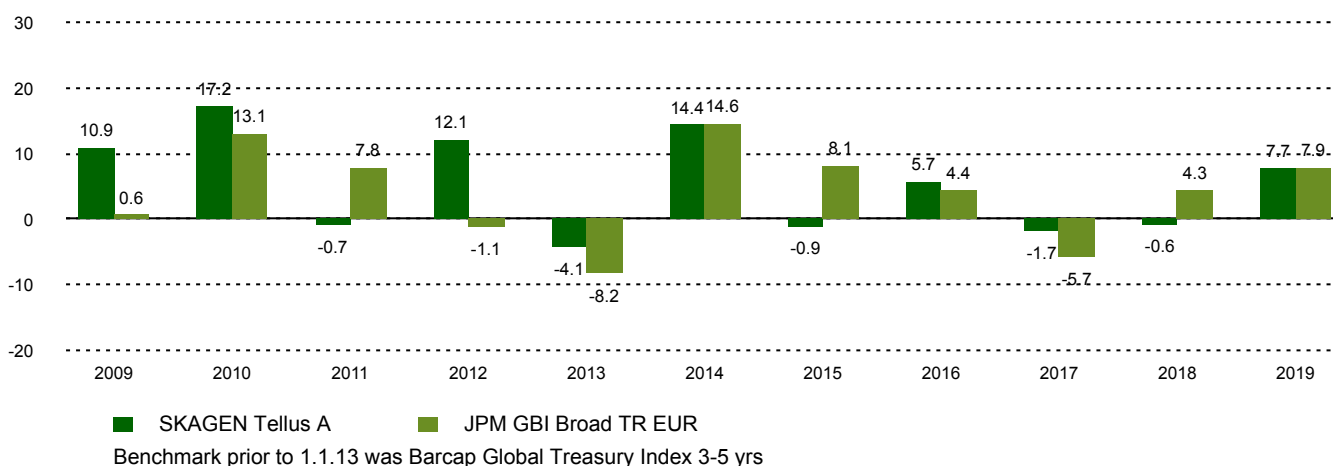
Historical performance (net of fees)

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



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



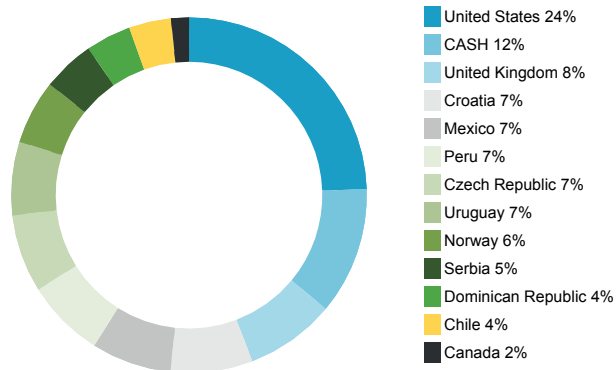
Largest detractors

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

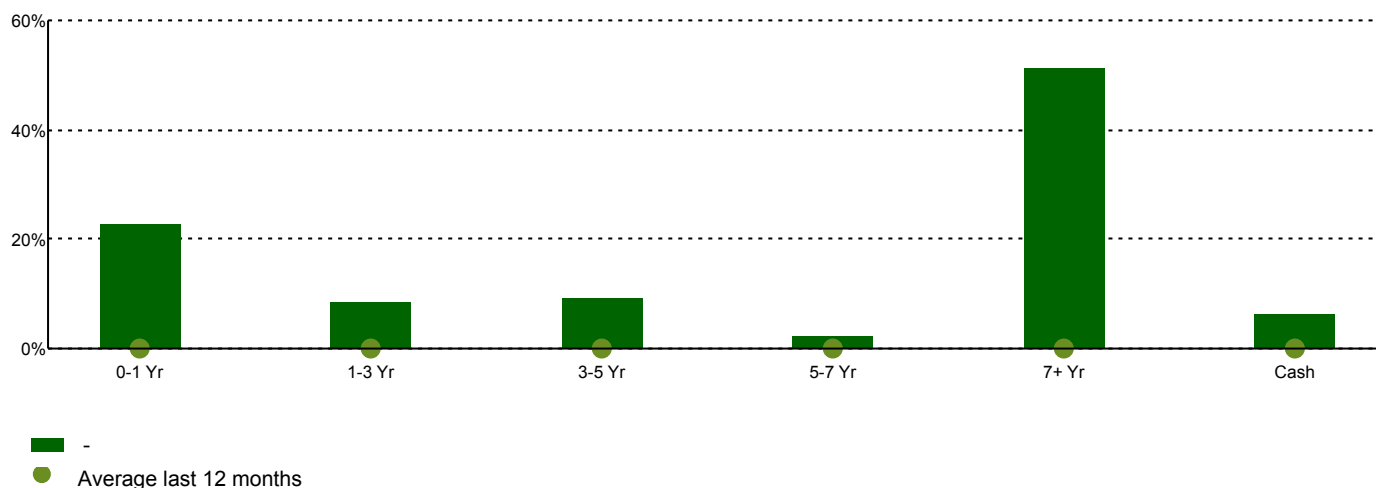
Top 10 investments

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

This report is intended for investment professionals only. The content is not to be viewed by or used with retail investors. Unless otherwise stated, performance data relates to class A units and is net of fees. AUM data as of the end of the previous month. Except otherwise stated, the source of all information is SKAGEN AS. 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. You can download more information including subscription/redemption forms, full prospectus, Key Investor Information Documents (KIID), General Commercial Terms, Annual Reports and Monthly Reports from our local websites or our local representatives. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. This report should not be perceived as an offer or recommendation to buy or sell financial instruments. SKAGEN AS does not assume responsibility for direct or indirect loss or expenses incurred through use or understanding of this report. Employees of SKAGEN AS may be owners of securities issued by companies that are either referred to in this report or are part of a fund's portfolio. CACEIS Ireland Limited, One Custom House Plaza, International Financial Services Centre, Dublin is the Paying Agent in Ireland.