

Performance Commentary

Long-term interest rates increased again in August after falling sharply during the summer. A combination of higher inflation expectations and slightly higher real rates helped move rates up in developed markets, but real rates are still very low. The large central banks (US and Europe) continue to be extremely cautious in their communication around potential policy tightening, but there is an increasing likelihood of QE tapering starting towards the end of 2021. Canada and New Zealand have already reduced their asset purchases and several emerging market central banks have increased their policy rates lately. Inflation expectations are largely in line with or above central bank targets and the improved economic outlook is supportive of central bank policies normalising. Nonetheless, the recent surge in Covid cases globally has introduced some uncertainty. So far it seems that the latest wave will be manageable, but we are not yet out of the woods. SKAGEN Tellus ended the month ahead of its benchmark index. The largest positive contributors were Uruguay and Indonesia thanks to appreciating currencies while the main laggards were the UK and the Czech Republic due to depreciating currencies and higher interest rates.

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.

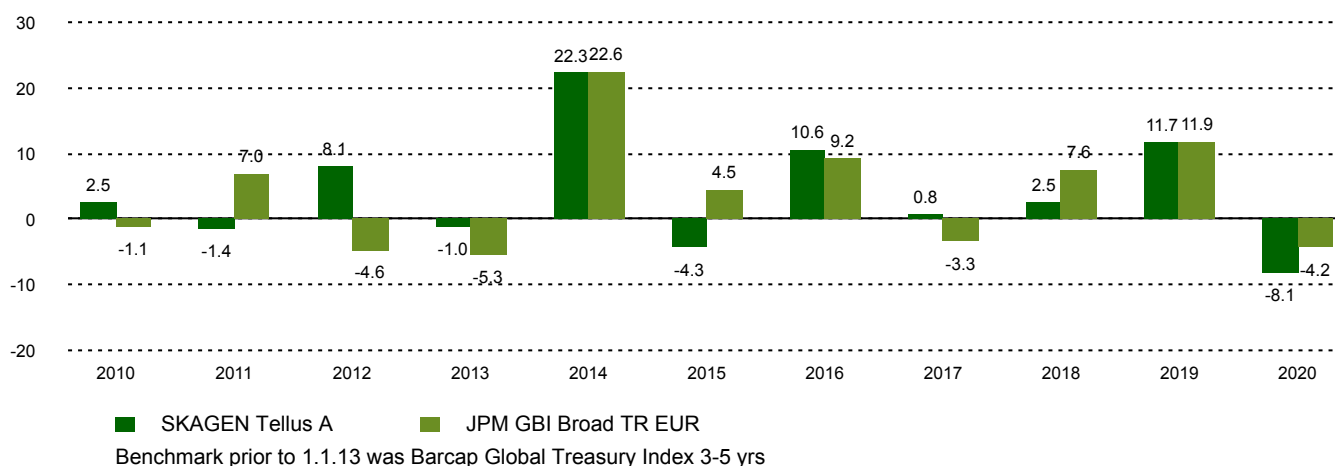
Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last month	1.0%	-0.1%
Year to date	2.1%	1.9%
Last year	1.1%	-0.9%
Last 3 years	0.3%	2.3%
Last 5 years	2.0%	2.1%
Last 10 years	4.2%	4.2%
Since start	4.5%	4.5%

Fund Facts

Type	Fixed income
Domicile	Norway
Launch date	29.09.2006
Morningstar category	Global Bond - EUR Biased
ISIN	NO0010327786
NAV	105.45 SEK
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR EUR
AUM (mill.)	476.91 SEK
Duration	3.56
WAL	4.51
Yield	2.38%
Number of holdings	17
Portfolio manager	Sondre Solvoll Bakketun

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Uruguay Government	5.59	0.11
Colombia Government	3.16	0.05
Dominican Republic	2.71	0.04
European Bank for Recon & Dev	6.26	0.03
European Investment Bank	0.91	0.01



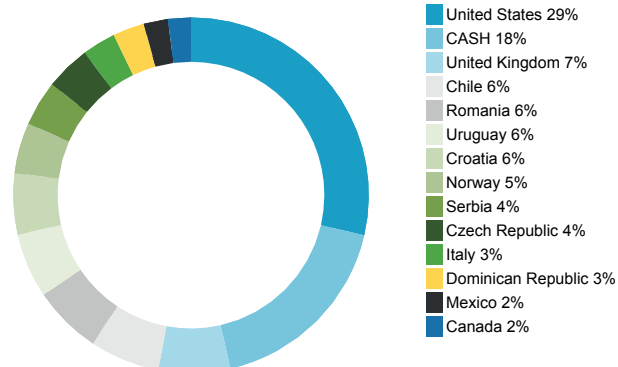
Largest detractors

Holding	Weight (%)	Contribution (%)
United States Treasury	29.08	-0.41
United Kingdom Gilt	6.36	-0.17
Czech Republic	3.95	-0.11
Chile Government	6.14	-0.09
Romanian Government	6.06	-0.06

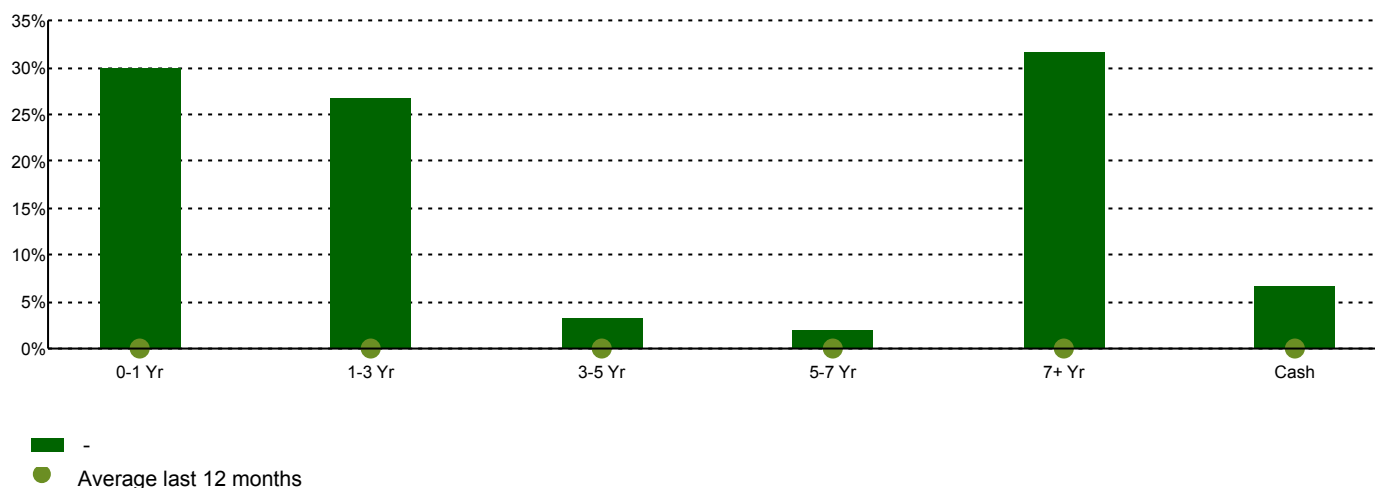
Top 10 investments

Holding	Percentage of Fund
US Government	28.6
European Bank for Reconstruction & Development	6.5
UK Government	6.5
Republic of Chile	6.4
Romanian Government	6.2
Oriental Republic of Uruguay	5.9
Republic of Croatia	5.6
Republic of Serbia	4.1
Czech Republic Government	4.1
International Finance Corp	3.8
Total	77.7

Country exposure



Maturity structure



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Important information

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.