

# IMPORTANT INFORMATION

This is marketing communication and should not be construed as investment advice.

This presentation has been prepared for investors in those countries, where the fund is registered with the respective Financial Services Authority.

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. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice. Employees of SKAGEN AS may own securities in companies mentioned in the presentation or included in a fund's portfolio.

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Subscriptions are carried out in fund units and not directly in shares or other securities.

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 <https://www.skagenfunds.com/funds>



From the moors north of Skagerrak, 1885. By P.S. Krøyer, one of the Skagen Painters. This image belongs to the Skagens Museum.

## Fund and Market Update Webinar

# SKAGEN Global

14 November 2024



# Agenda

1. Introduction
2. Q&A on USA with moderator
3. Portfolio status
4. Questions from the audience

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- 1. Introduction**
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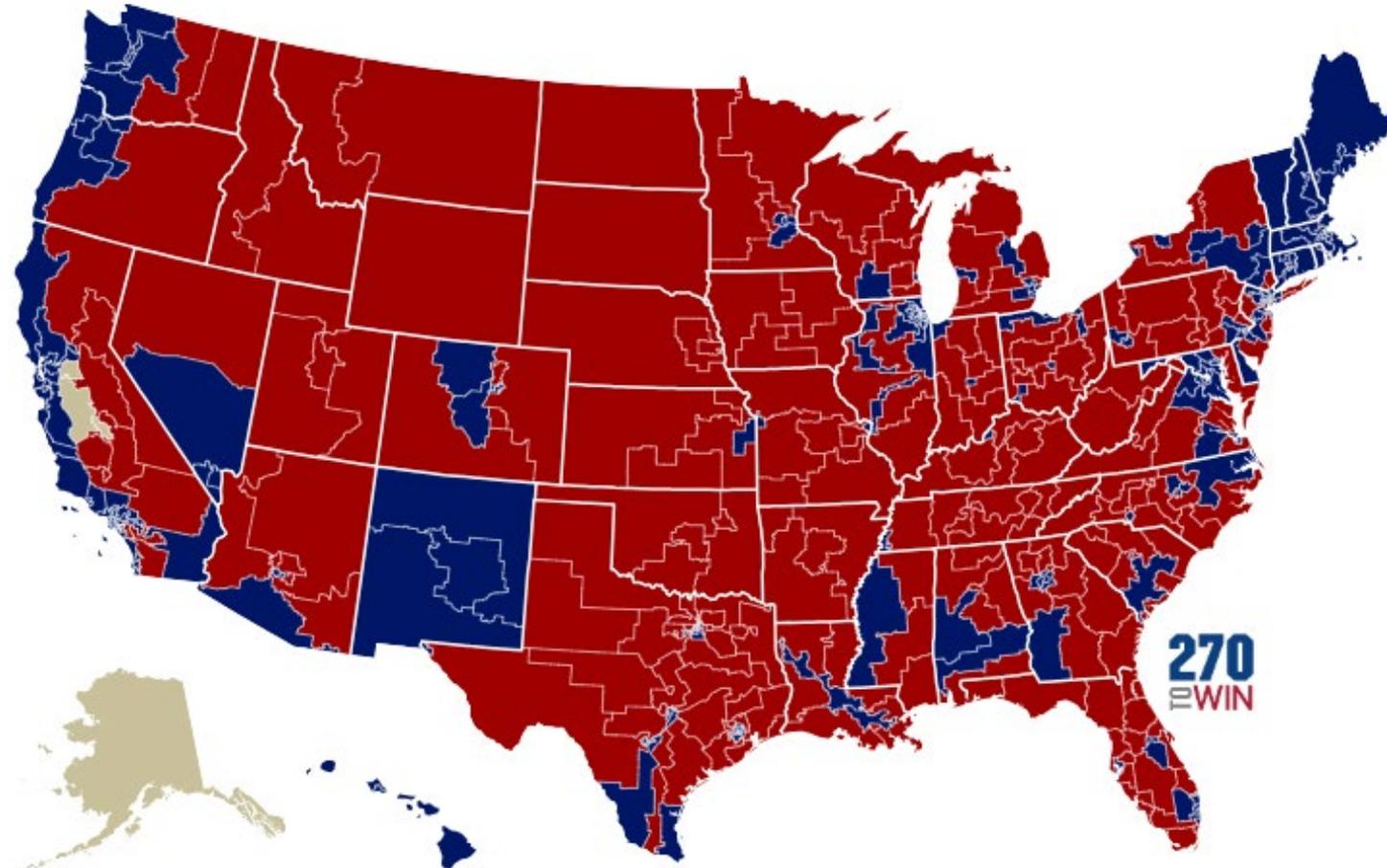
# Trump and the Republican Party won a landslide victory

The American people gave Trump a strong mandate to implement his agenda

Republicans



Democrats



Source: [www.270towin.com](http://www.270towin.com)

# What do we expect for the stock market now?

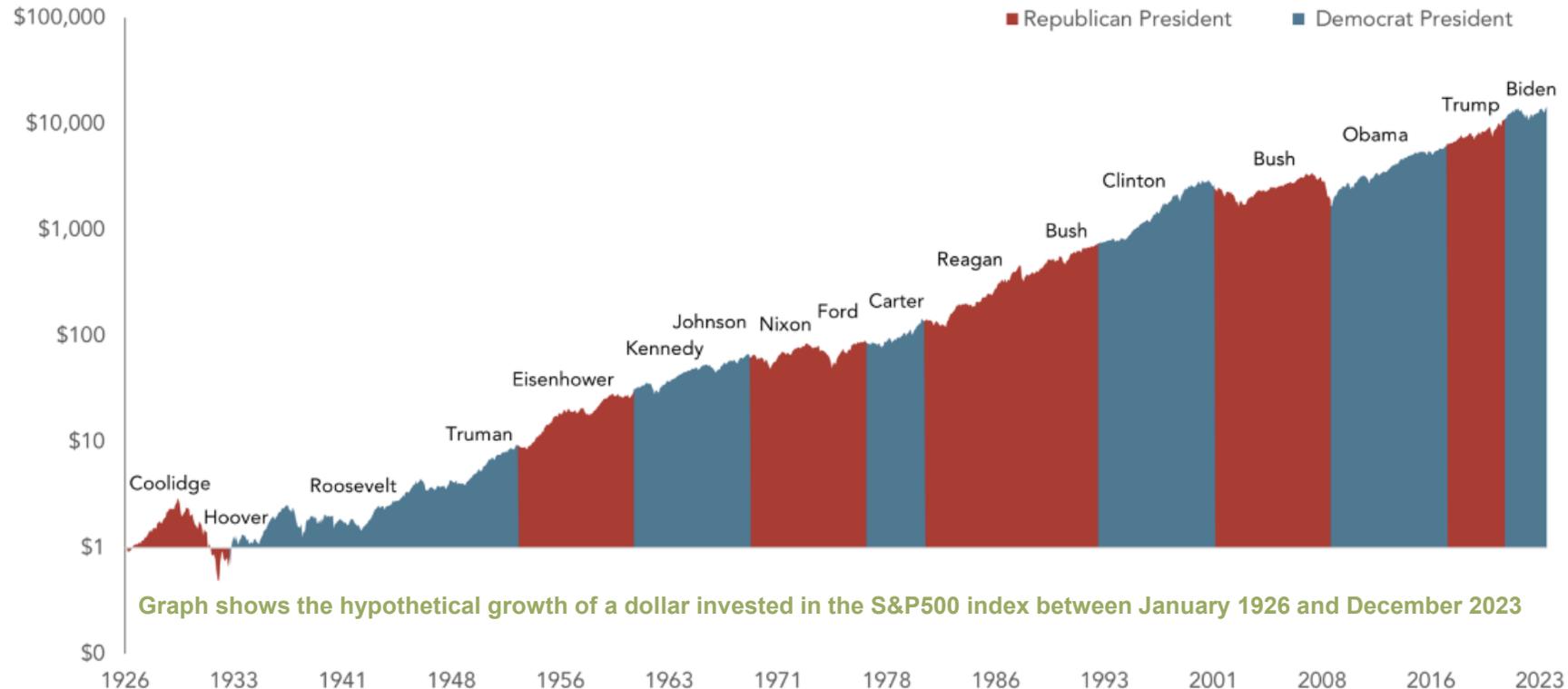


Source: *The New Yorker*, Paul Sancya, AP

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# The US market has performed well under both Republican and Democratic presidents in the past century



Graph shows the hypothetical growth of a dollar invested in the S&P500 index between January 1926 and December 2023

Past performance is not a guarantee of future results. Indices are not available for direct investment; therefore, their performance does not reflect the expenses associated with the management of an actual portfolio. Data presented in the growth of \$1 chart is hypothetical and assumes reinvestment of income and no transaction costs or taxes. The chart is for illustrative purposes only and is not indicative of any investment. Source: S&P data © 2024 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved.

Source: <https://tfwealth.com>

# S&P 500 index return during previous presidents (1950-2024)

## S&P 500 Compounded Annual Growth Rate by Presidencies Since 1950

US President	Political Party	Years	CAGR
Eisenhower	Republican	1953-1960	10.3%
Kennedy*	Democrat	1961-1963	6.4%
Johnson*	Democrat	1963-1968	8.1%
Nixon*	Republican	1969-1974	-4.4%
Ford*	Republican	1974-1976	12.6%
Carter	Democrat	1977-1980	6.0%
Reagan	Republican	1981-1988	9.4%
Bush	Republican	1989-1992	11.9%
Clinton	Democrat	1993-2000	14.9%
Bush	Republican	2001-2008	-4.6%
Obama	Democrat	2009-2016	12.0%
Trump	Republican	2017-2020	13.8%
Biden	Democrat	2021-2024	11.9%

Source: BMO

# Historical annual return by sector in S&P500 based on (D) vs (R) (1970-2024)

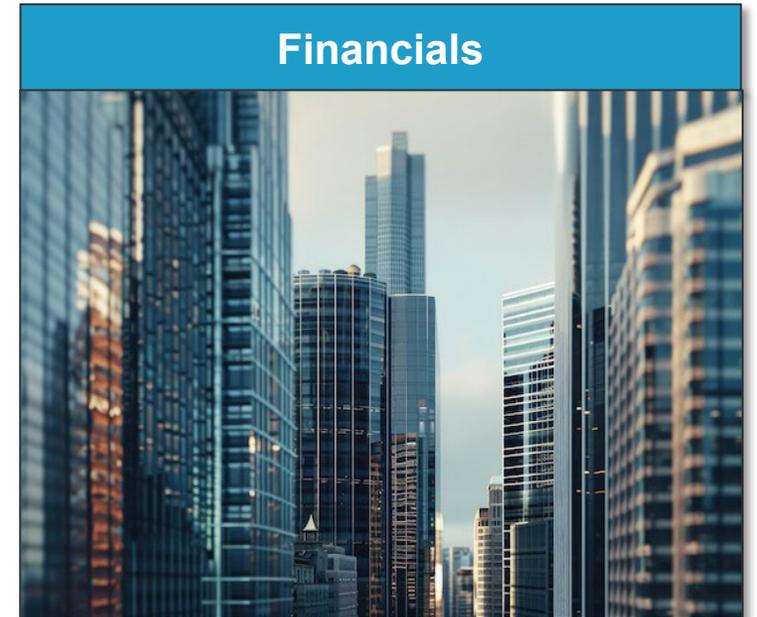
## Average Calendar Year Performance of S&P 500 Sectors Based on Composition of Government (1970-2024)

Sector	<u>President Party</u>	
	D	R
Communication Services	?	?
Consumer Discretionary	?	?
Consumer Staples	?	?
Energy	?	?
Financials	?	?
Health Care	?	?
Industrials	?	?
Information Technology	?	?
Materials	?	?
Utilities	?	?

Source: BMO

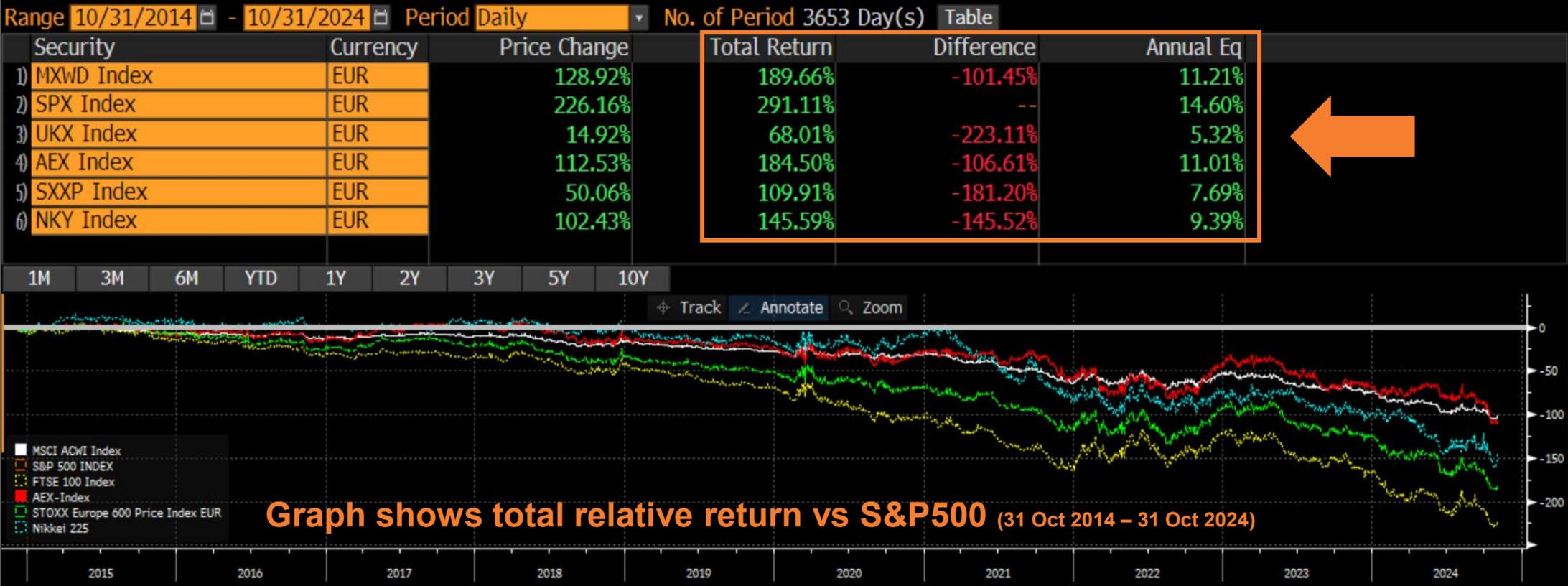
# 3 underappreciated sectors poised to gain under Trump

As always, stock picking is key



Source: [www.helenpainter.com](http://www.helenpainter.com), [analyticssteps.com](http://analyticssteps.com) freepik.com

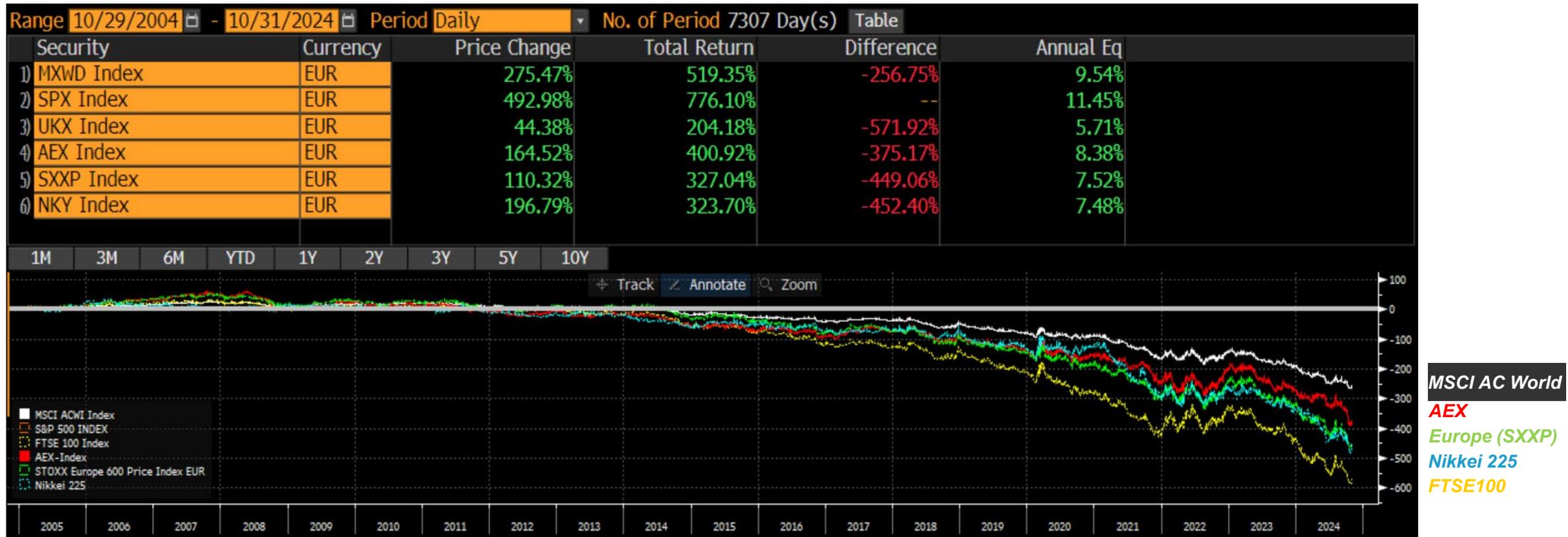
# 10-Year Total Return: S&P500 vs Select Non-US stock markets (2014-2024)



2014 ←————→ 2024

Source: Bloomberg, SKAGEN  
 Note: Time period is 31 Oct 2014 to 31 Oct 2024 with TSR in % EUR

# 20-Year Total Return: S&P500 vs Select Non-US stock markets (2004-2024)

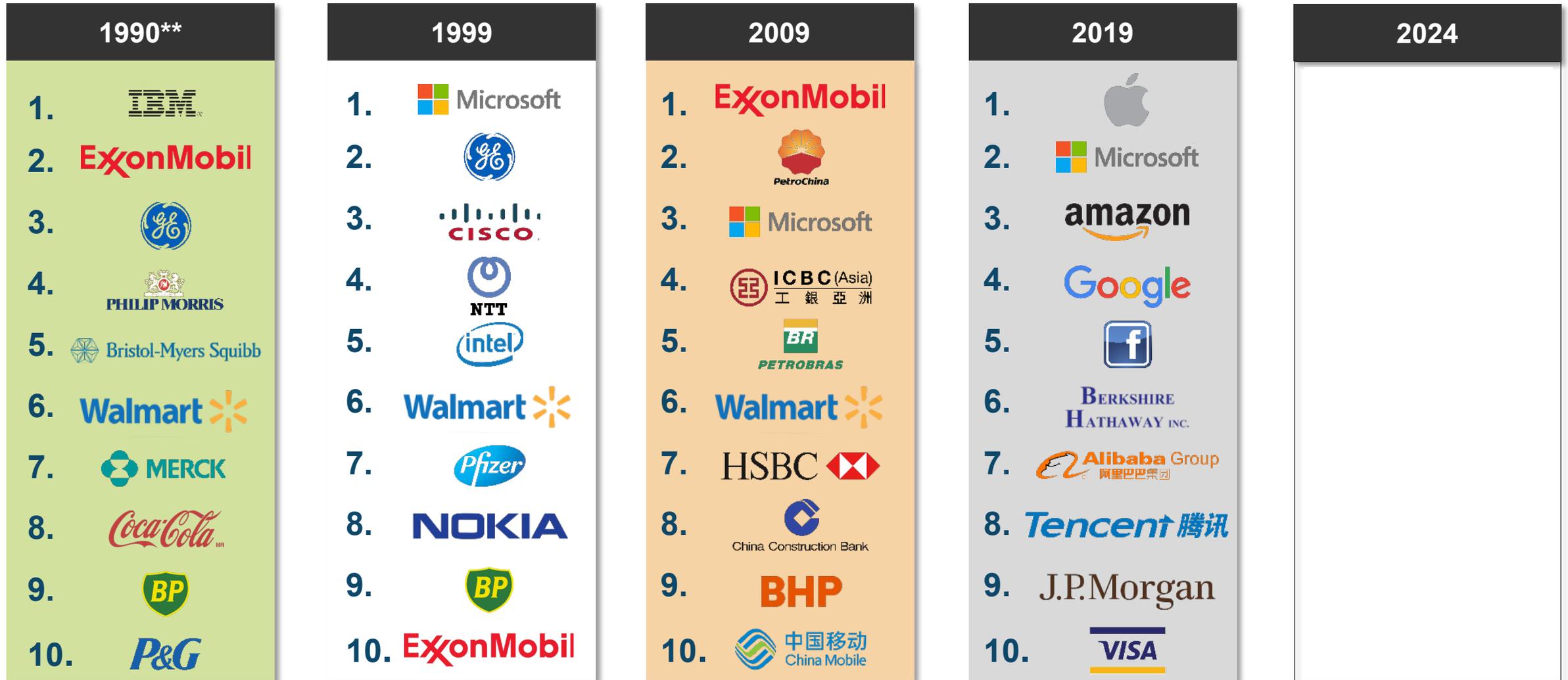


2014 ← → 2024

Source: Bloomberg, SKAGEN

Note: Time period is 29 Oct 2004 to 31 Oct 2024 with TSR in % EUR

# 10 largest global public firms by year\*

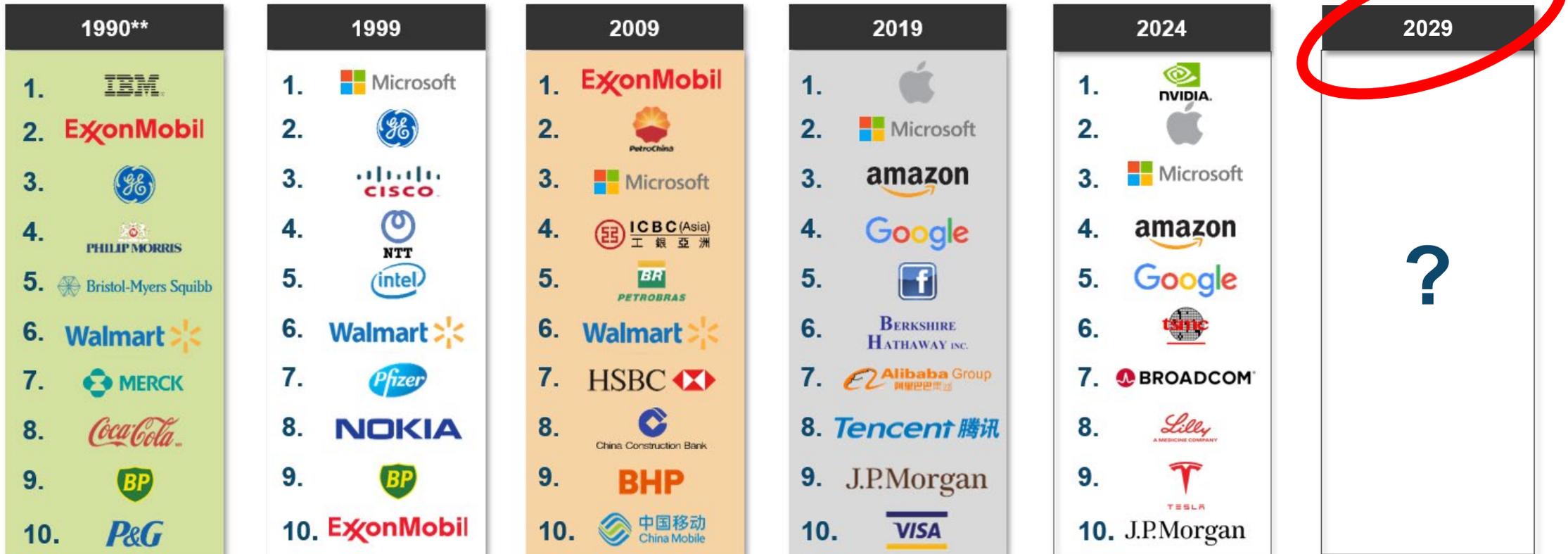


\* Measured by market cap (USD) in MSCI AC World as per November each calendar year

\*\* S&P 500

Source: Bloomberg

# 10 largest global public firms by year\*



\* Measured by market cap (USD) in MSCI AC World as per November each calendar year

\*\* S&P 500

Source: Bloomberg

# Would you bet against the US over the next 4 years?



Source: Evan Vucci/AP

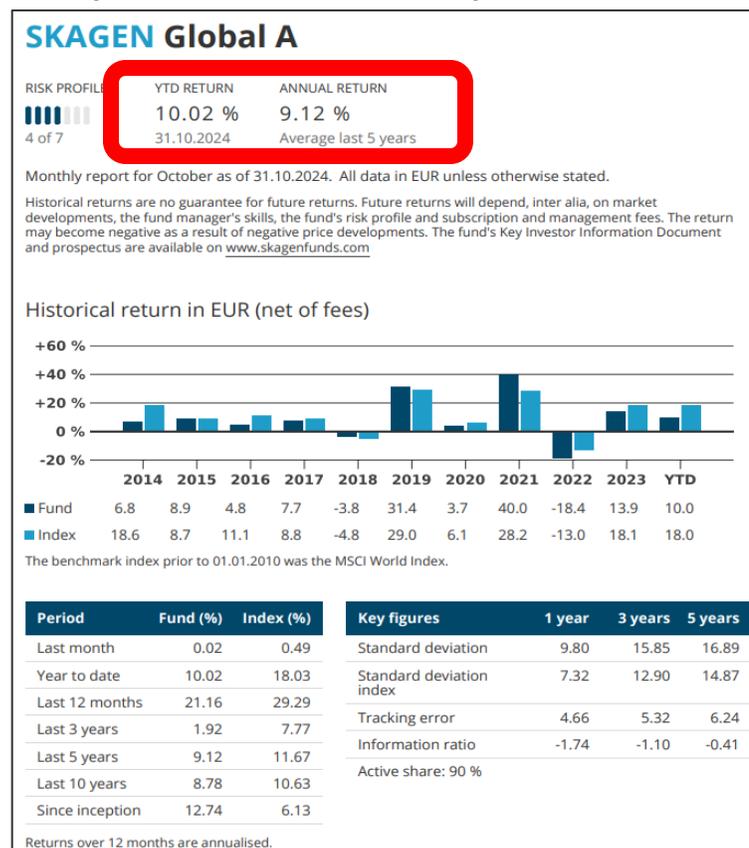
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# SKAGEN Global A performance figures (EUR)

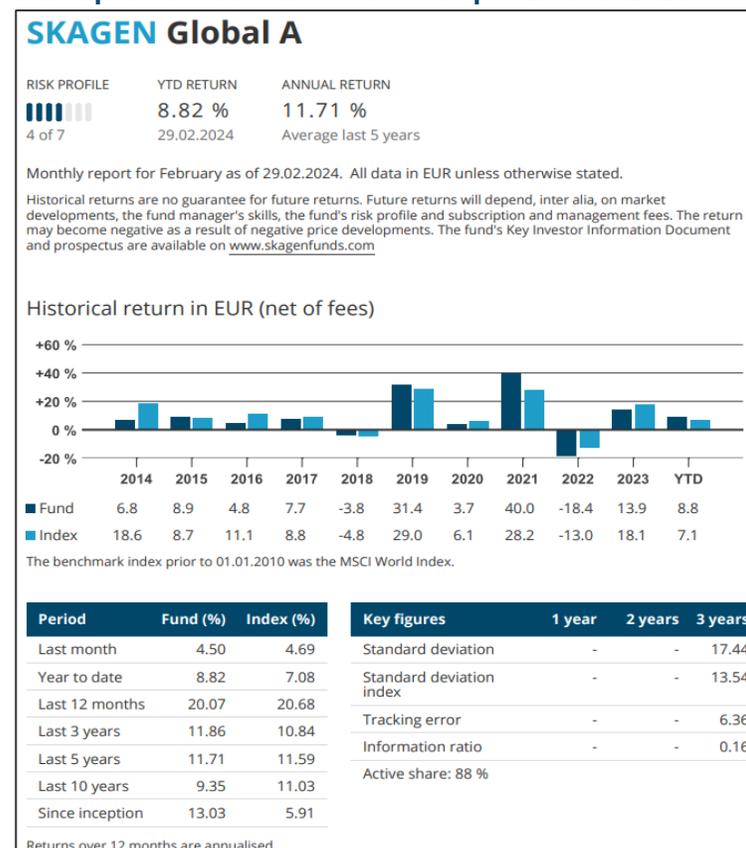
## Absolute return in % EUR as per 12 Nov 2024 = 15.03%

### Fund performance net of fees as per 31 Oct 2024



**2024 per 31 October Gross return (% EUR):**  
SG 10.92%, Index 18.03% → Relative return -7.11%

### Fund performance net of fees as per 29 Feb 2024



**2024 per 29 February: Gross return (% EUR):**  
SG 8.99%, Index 7.08% → Relative return +1.91%

### Notes

- All figures in EUR with returns net of fees unless otherwise noted. Periods longer than 12 months show the average annualized return
- Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and management fees. The return may become negative as a result of negative price developments.
- There is a risk associated with investing in the fund due to market movements, currency developments, interest rate levels, economic, sector and company-specific conditions. Complete information on risk can be found in the fund's prospectus and KID available at [www.skagenfunds.com](http://www.skagenfunds.com)
- The fund's benchmark is MSCI All Country World Index, until 01.01.2010 it was MSCI World Index. Since SKAGEN Global is an actively managed fund the portfolio will deviate from the benchmark's composition.

# Main contributors and detractors to absolute performance YTD

January – October 2024

## Top-3



J.P.Morgan

## Bottom-3



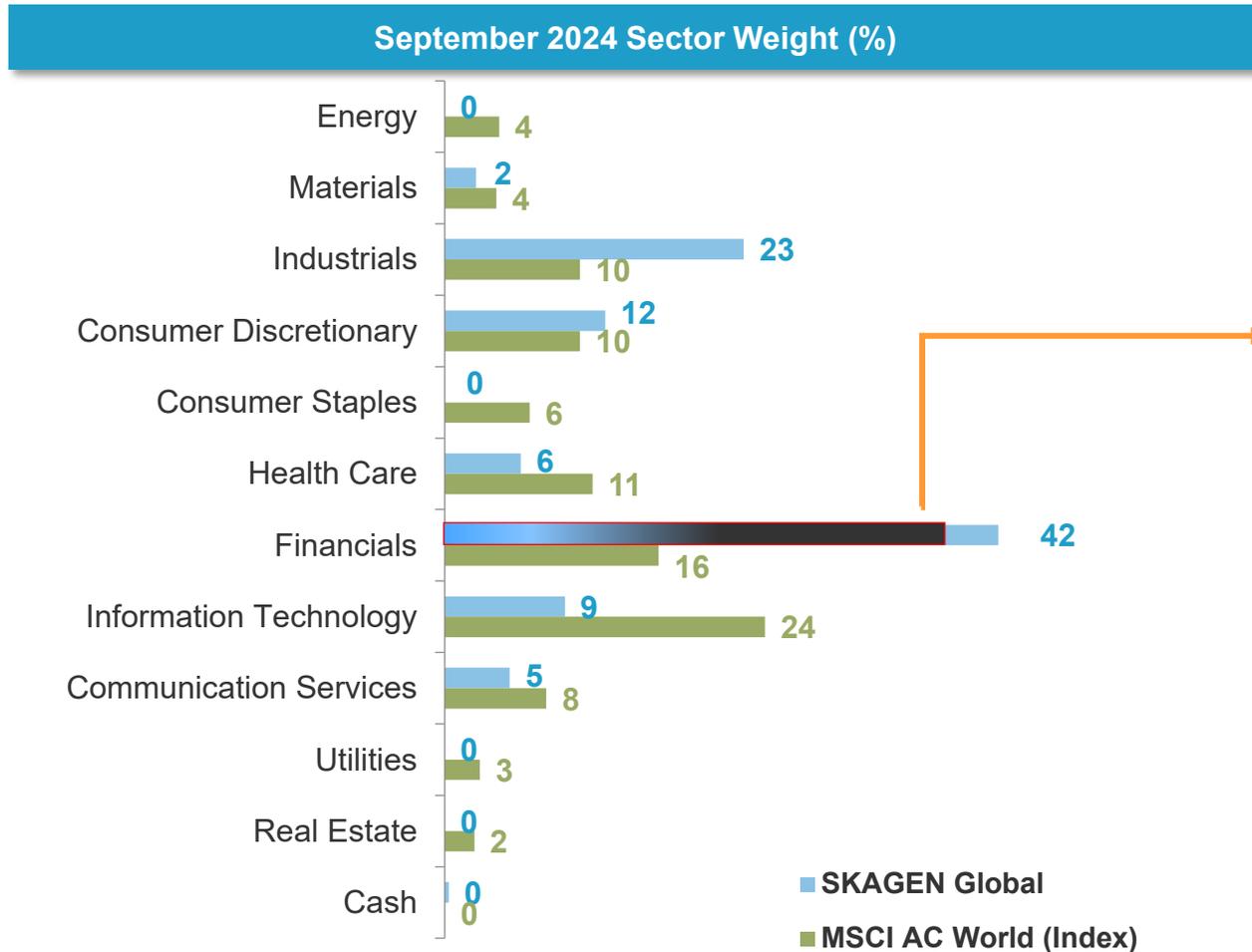
# Key portfolio changes in 2024 YTD



Note: Subscriptions done in fund units and not directly in shares or other financial instruments

# Portfolio breakdown by sector

## September 2024



**Examples:**

Insurance brokerage / Risk management / Consulting



Credit-Rating Agency



Exchanges



Payment



Source: SKAGEN and Bloomberg as of 30 Sep 2024

# Top-10 list

## October 2024

	Holding size, %	Price	P/E		EBIT margin 2023, %	ROE 2023, %	Net debt / EBITDA	Interest coverage	Price target upside
			2025e	2026e					
DSV	7.0	1,491	25	22	12	17	1.7	12	48%
Canadian Pacific	7.0	107	21	19	37	9	3.2	5	63%
Abbott Laboratories	5.6	113	22	20	22	20	0.7	10	37%
Alphabet (Google)	5.3	173	19	17	33	27	(0.5)	274	45%
Moody's	4.9	454	34	30	38	57	1.4	7	27%
TMX Group	4.7	43	23	21	46	10	2.4	12	49%
Intercontinental Exchange (ICE)	4.6	156	23	21	59	12	3.6	5	22%
JP Morgan	4.3	222	13	12	N.A.	17	N.A.	N.A.	13%
Waste Connections	4.2	177	33	29	18	14	3.2	5	53%
Mastercard	3.9	500	31	26	58	N.A.	0.4	24	30%
<b>Weighted top 10</b>	<b>51.5</b>		<b>23</b>	<b>20</b>	<b>37*</b>	<b>17*</b>	<b>1.7*</b>	<b>10*</b>	<b>40%</b>
<b>Weighted total portfolio</b>	<b>97.5</b>		<b>21</b>	<b>19</b>	<b>28*</b>	<b>20*</b>	<b>1*</b>	<b>12*</b>	<b>40%</b>
<b>MSCI AC World</b>			<b>17</b>	<b>16</b>	<b>16</b>	<b>13</b>	<b>1.7*</b>	<b>6*</b>	

\*median

Significant portfolio upside over the next 2-3 years



# Fund portfolio designed to deliver attractive risk-adjusted return in a wide variety of macro and market scenarios

## SKAGEN Global Portfolio (select holdings only)

LATENT VALUE	GLOBAL CONSUMER	SECTOR MISCLASSIFIED STOCKS	HIGH SWITCHING COST	UNDERVALUED OPERATIONAL EXCELLENCE	FAMILY OWNERSHIP	STRUCTURAL WINNERS
 BRUNELLO CUCINELLI   Abbott   AEGON	 mastercard   Munich RE   Google	 RELX   TMX   Marsh McLennan	 MSCI   INTUITIVE SURGICAL   Microsoft	 DSV   THE HOME DEPOT   J.P.Morgan	 HERMÈS   OLD DOMINION FREIGHT LINE   Brown & Brown INSURANCE	 CANADIAN PACIFIC   Moody's   WASTE CONNECTIONS

SKAGEN Global portfolio sample as at 2024 Q3

# Key messages

1



- No clear correlation between US stock market performance and president
- Forecasting sector performance is futile

2



- 9 out of the 10 largest public companies in MSCI AC World are US firms
- Why would the US dominance change over the next 4 years?

3



- SKAGEN Global has delivered c. 15% absolute return YTD (% EUR)\*
- Attractively valued portfolio with select exposure to the US (and other regions)

\* SKAGEN Global A absolute return net of fees in % EUR as per 12/11/2024 is 15.03%. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and management fees. The return may become negative as a result of negative price developments. There is a risk associated with investing in the fund due to market movements, currency developments, interest rate levels, economic, sector and company-specific conditions. Complete information on risk can be found in the fund's prospectus and KID available at [www.skagenfunds.com](http://www.skagenfunds.com)

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# Appendix

# SKAGEN Global team

1 Lead PM, 1 PM



## **Knut Gezelius**

### **Lead Portfolio Manager**

Knut joined SKAGEN in May 2014 from Goldman Sachs Asset Management in London where he was an Executive Director in the Global Equity team. Previously, he held the positions of Senior Lead Analyst at Entergy Corporation in Houston and Senior Consultant at Applied Value Group in Boston. He completed his military service at the Swedish Defense Language Institute (Tolkskolan) and subsequently worked at the Embassy of Sweden in Moscow. Knut holds an MBA from INSEAD and dual BSc. & MSc. degrees in Nuclear Engineering from the Massachusetts Institute of Technology (MIT). He is a CFA charterholder.

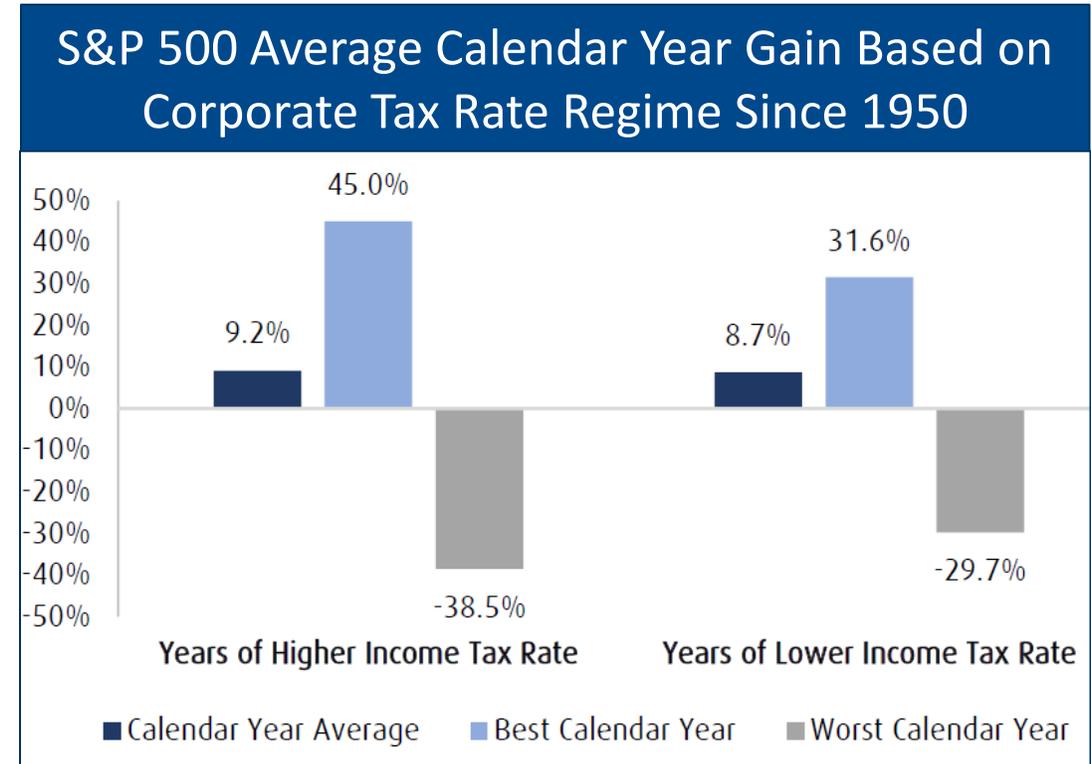
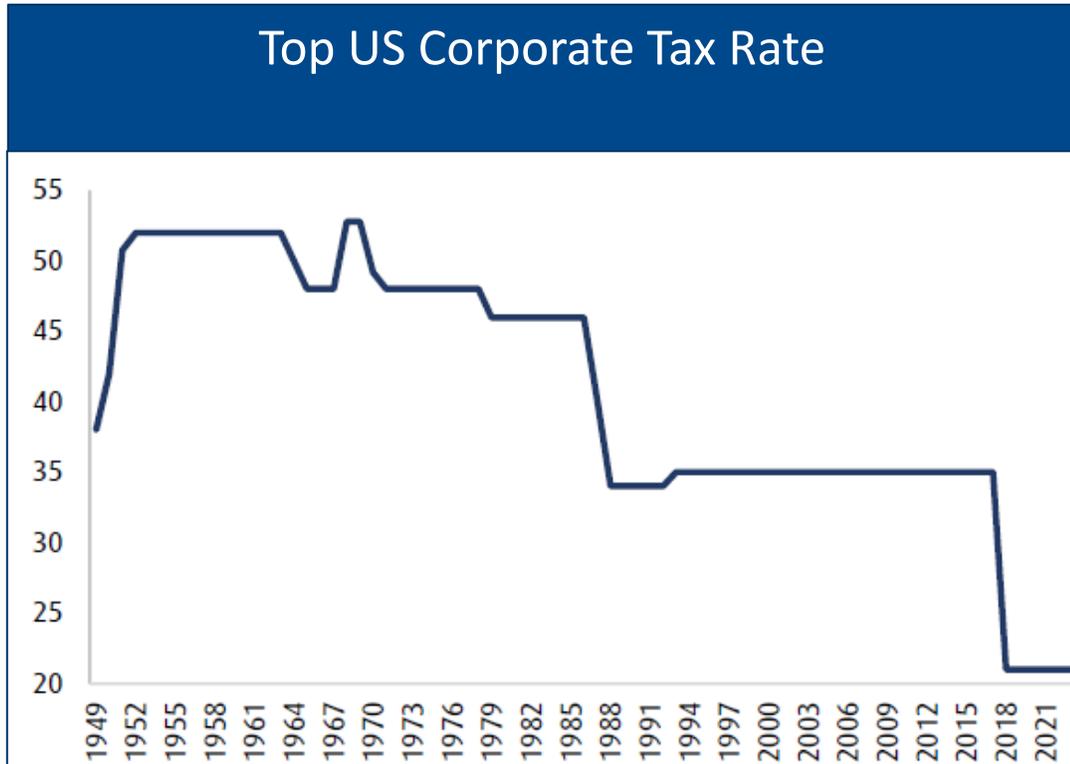


## **Chris-Tommy Simonsen**

### **Portfolio Manager**

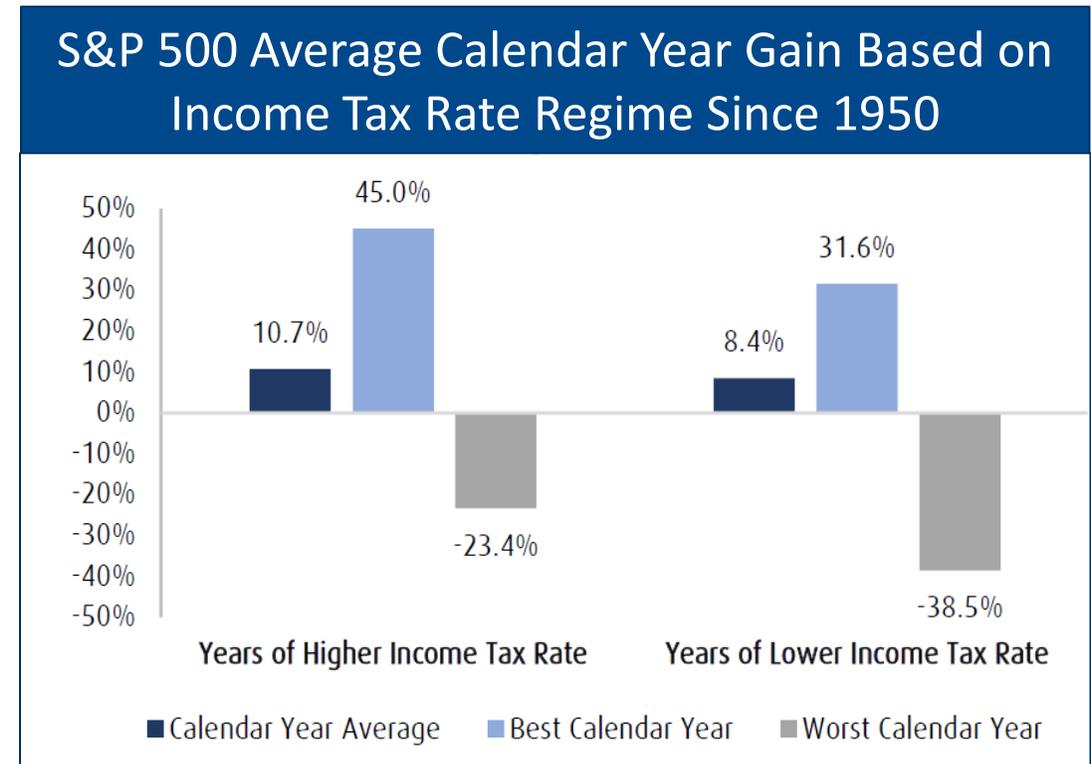
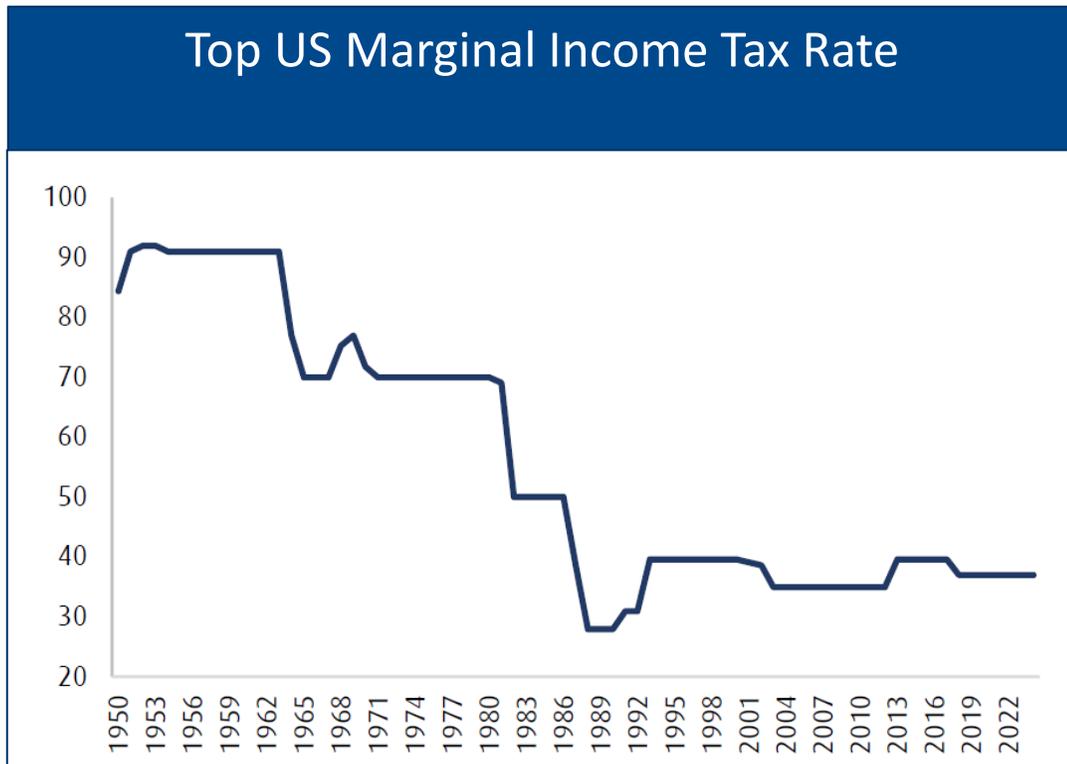
Chris-Tommy joined SKAGEN in April 2006. He is on the SKAGEN Global team since 2008 and has previous experience in securities settlement in SKAGEN. His industry experience dates from 2000. Chris-Tommy earned a Master's degree in Commerce from Agder Regional College.

# Corporate tax rate vs S&P 500 return (1950-2024)



Source: BMO

# Marginal tax rate vs S&P 500 return (1950-2024)



Source: BMO

# IMPORTANT INFORMATION

SKAGEN AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds. SKAGEN AS has its registered office at Skagen 3, Torgterrassen, 4006 Stavanger, Norway. SKAGEN AS is part of the Storebrand Group and owned 100% by Storebrand Asset Management AS. Storebrand Group consists of all companies owned directly or indirectly by Storebrand ASA.

An overview over related fees is available here: <https://www.skagenfunds.com/how-to-invest/fees/>

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:

<https://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.

SKAGEN 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: <https://www.skagenfunds.com/sustainability/sustainable-investing/>

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The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus <https://www.skagenfunds.com/funds>