

All data in EUR as of 31.01.2018 unless otherwise stated.

## Performance Commentary

We continued to see a strong EM-supportive environment in January, thanks to firming global growth and commodity prices. Robust EM equity inflows helped EM outperform global markets. However, a surge in US treasury yields has set the stage for increased market volatility through a bounce in the VIX index. We reduced exposure to some recent outperformers like Tullow, Rumo, Bollere, Cosan and Gree Electric. We exited Eczacibasi Ilac. Four new companies entered the portfolio: Sinotrans is the leading integrated logistics provider in China trading at a big discount to the industry. Aeroflot is the dominant Russian flag carrier; an improving balance sheet and a cyclical recovery gives an attractive risk/reward. We expect Bank of China to rerate after concerns over the debt build-up in China and deteriorating financial performance abates with an improved economic backdrop. Lastly Beijing Enterprise Water is one of the leading providers of water and environmental protection services in China. The recent capital raise coupled with improved earnings quality and a cash flow inflection point should lead to a re-rating. We continue to see around 30% upside for the Kon-Tiki portfolio. Trading at less than 10x 2018e P/E and 1.1x P/B this is at a substantial discount to EM at 12x and 1.9x.

The fund selects low-priced, high-quality companies, mainly in emerging economies.

The objective is to provide the best possible risk adjusted return.

The fund is suitable for those with at least a five year investment horizon.

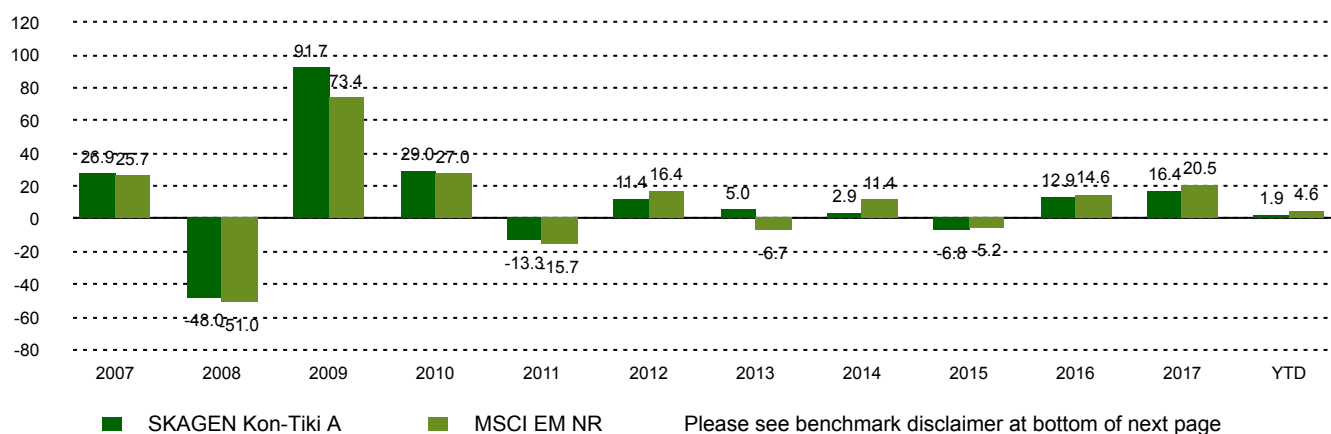
## Historical performance (net of fees)

Period	SKAGEN Kon-Tiki A	Benchmark index
Last month	1.9%	4.6%
Year to date	1.9%	4.6%
Last year	13.5%	21.8%
Last 3 years	5.8%	8.2%
Last 5 years	5.9%	7.6%
Last 10 years	6.7%	5.7%
Since start	13.4%	8.5%

## Fund Facts

Type	Equity
Domicile	Norway
Launch date	05.04.2002
Morningstar category	Global Emerging Markets Equity
ISIN	NO0010140502
NAV	95.28 EUR
Fixed management fee	2.00%
Total expense ratio (2017)	1.59%
Benchmark index	MSCI EM NR
AUM (mill.)	2870.84 EUR
Number of holdings	47
Lead manager	Knut Harald Nilsson

## Performance last ten years



## Contributors in the month

### Largest contributors

Holding	Weight (%)	Contribution (%)
Gree	3.51	0.75
AG Anadolu Grubu	2.19	0.38
Banrisul	2.94	0.34
Cosan Ltd	2.84	0.28
SHINEWAY PHARM	1.05	0.24

### Largest detractors

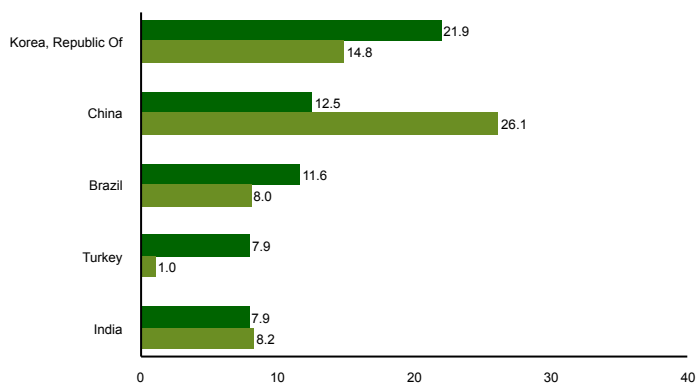
Holding	Weight (%)	Contribution (%)
LG Electronics Inc	3.46	-0.50
Golar LNG Ltd	3.40	-0.46
Hyundai Motor	6.58	-0.38
Samsung Electronics	6.17	-0.33
Ericsson	2.54	-0.19

Absolute contribution based on NOK returns at fund level

## Top ten investments

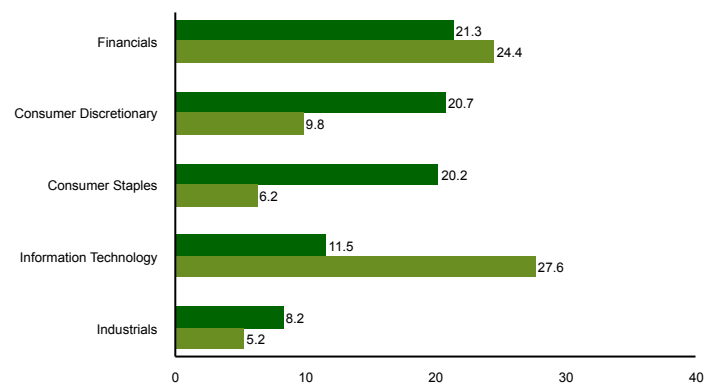
Holding	Sector	Country	%
Hyundai Motor	Consumer Discretionary	Korea, Republic Of	6.6
Samsung Electronics	Information Technology	Korea, Republic Of	6.3
Naspers	Consumer Discretionary	South Africa	4.6
Haci Omer Sabanci Holding	Financials	Turkey	4.1
Mahindra & Mahindra	Consumer Discretionary	India	4.1
Gree Electric Appliances Inc of Zhuhai	Consumer Staples	China	3.3
Banrisul	Financials	Brazil	3.3
LG Electronics	Consumer Discretionary	Korea, Republic Of	3.2
Golar LNG	Industrials	United States	3.2
Cia Brasileira de Distribuicao	Consumer Staples	Brazil	3.1
Combined weight of top 10 holdings			41.6

## Country exposure (top five)



■ SKAGEN Kon-Tiki A ■ MSCI EM NR

## Sector exposure (top five)



■ SKAGEN Kon-Tiki A ■ MSCI EM NR

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## Important information

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The benchmark index is the MSCI EM Index (net total return), this index did not exist at the inception of the fund and consequently the benchmark index prior to 1/1/2004 was the MSCI World AC Index. This is not reflected in the table/graph above which shows the MSCI EM Index since the funds inception.