

Performance Commentary

In January, the financial markets were very much affected by the Corona virus scare; volatility increased and there was a classic flight to safety. The long-term yields (10-years) in the US and Germany fell by 40 and 25 basis points respectively and safe haven currencies appreciated. The long-term interest rates in emerging markets and peripheral Europe decreased along with the interest rates in developed markets. Commodity currencies and higher risk EM currencies depreciated sharply versus the EUR and USD. Tellus underperformed the index in January, as is typical during periods of flight to safety. Our investments in Uruguay and Mexico generated the highest returns in January, due to falling interest rates and appreciating currencies. Mexico and US were the largest contributors due to the size of the positions. Our investments in the US benefited from the USD appreciation versus EUR. Our investments in Norway, Chile and South Africa were the weakest performers, mainly due to depreciating currencies. The Norwegian krone trades like a high-risk currency in times of higher volatility. We invested in a new EUR-denominated bond in Serbia and reduced our positions in Portugal and Greece. Serbia is going through an economic transformation, which we expect will lead to an upgrade to investment grade and lower credit spread versus core European countries.

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.

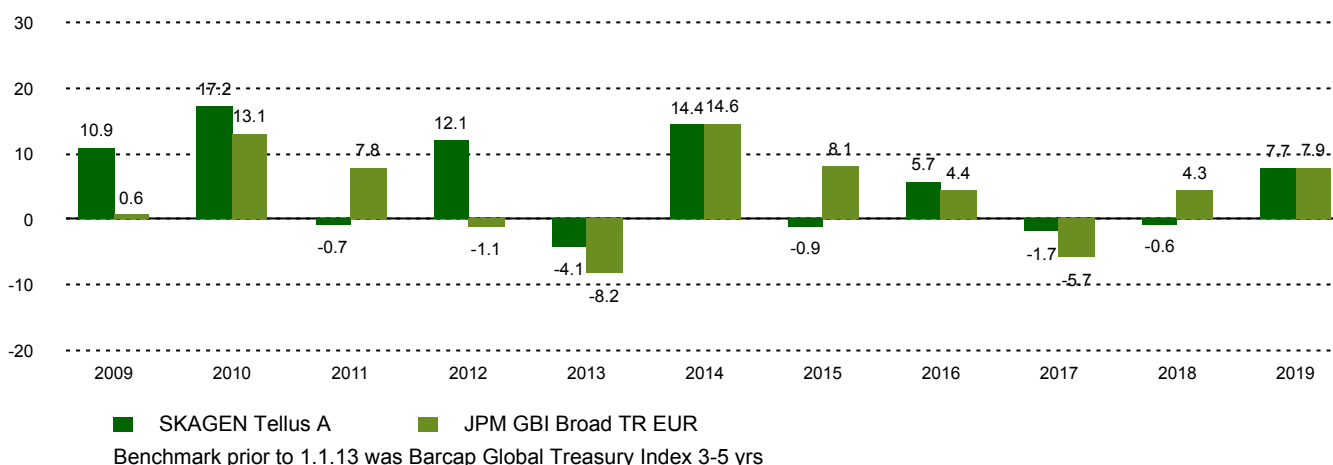
Historical performance (net of fees)

Period	SKAGEN Tellus A	Benchmark index
Last month	0.6%	3.0%
Year to date	0.6%	3.0%
Last year	6.4%	10.1%
Last 3 years	2.2%	3.5%
Last 5 years	0.7%	2.8%
Last 10 years	4.5%	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	11.67 EUR
Fixed management fee	0.80%
Benchmark index	JPM GBI Broad TR EUR
AUM (mill.)	48.87 EUR
Duration	3.61
WAL	4.90
Yield	4.15%
Number of holdings	14
Portfolio manager	Jane Tvedt

Performance last ten years



Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
United States Treasury	19.27	0.29
Mexican Bonos	9.21	0.29
Uruguay Government	6.09	0.18
Peruvian Government	7.20	0.16
Portugal Obrigacoes	4.22	0.10



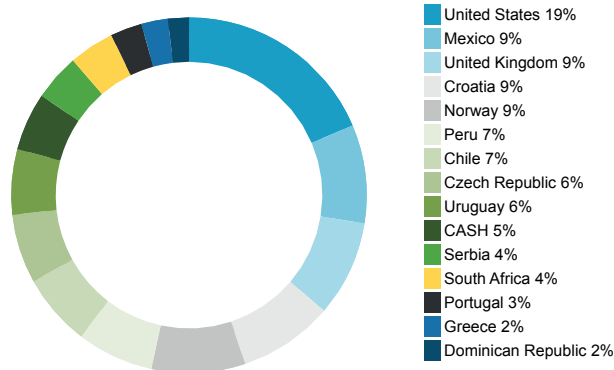
Largest detractors

Holding	Weight (%)	Contribution (%)
Chile Government	7.05	-0.32
Norway Government	9.10	-0.31
Republic of South Africa	4.42	-0.21
Serbia International Bond	0.56	0.02
Hellenic Republic Government	3.64	0.03

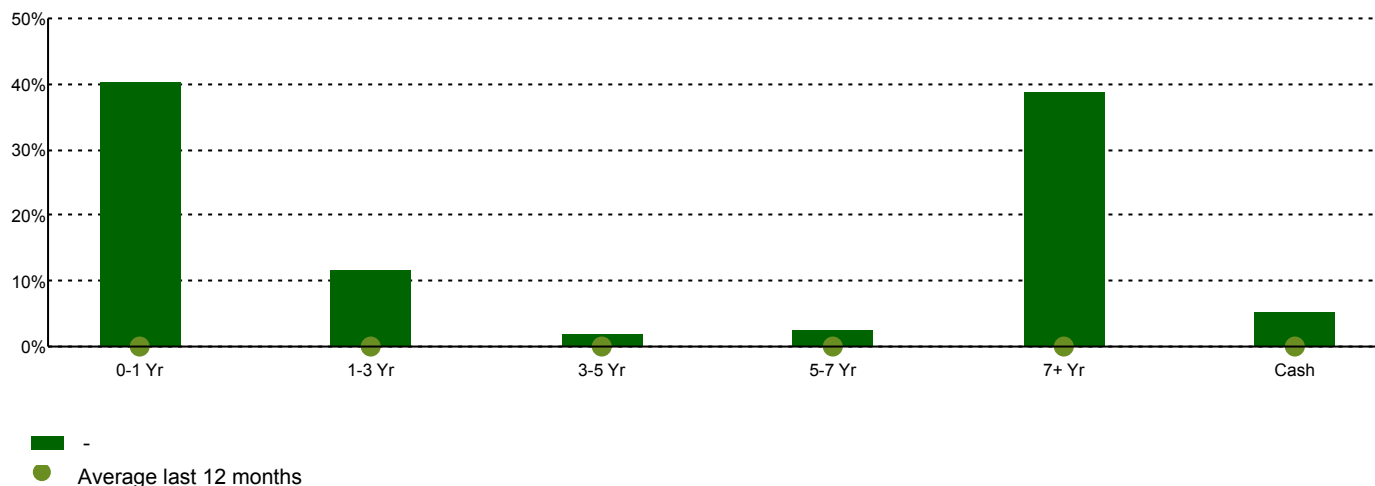
Top 10 investments

Holding	Percentage of Fund
US Government	18.6
Mexico	9.0
UK Government	8.7
Republic of Croatia	8.6
Kongeriket Norge	8.5
Republic of Peru	7.0
Republic of Chile	6.6
Czech Republic Government	6.3
Oriental Republic of Uruguay	6.0
Republic of Serbia	4.3
Total	83.4

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.