

## Performance Commentary

Global equities continued to perform well in October and the fund delivered a decent return in absolute terms, but lagged the benchmark. The main contributors were Omega Protein, X-Fab and AIG. We initiated our position in US-based Omega Protein when the fund was launched, and it has since been a strong contributor. We have trimmed and added to the position several times. We increased the position in late summer as an activist entered the shareholder register, and in October the company received a cash bid from a private Canadian company at a 32% premium. We liquidated most of the position at this level. Our increased Japanese exposure also yielded a positive return, mainly thanks to strong performance from Softbank and Bank of Kyoto. On the negative side, the long-awaited approval of generic competition for Copaxone continued to put pressure on our reduced position in Teva. We trimmed our positions in Softbank, Alphabet and Taiheiyo Cement after strong performance and exited automotive seat supplier Adient during the month as the stock reached our target price. The equity re-rated more than 60% during our holding period. During the month, we initiated two new positions in Brazilian sugar and ethanol producer Sao Martinho and in Japanese automotive supplier Tachi-S.

The fund is a concentrated global equity fund with a mandate to invest in all cap-sizes, geographies and sectors globally. With our concentrated portfolio of 30-35 core positions, we aim to generate absolute returns at a controlled level of absolute risk.

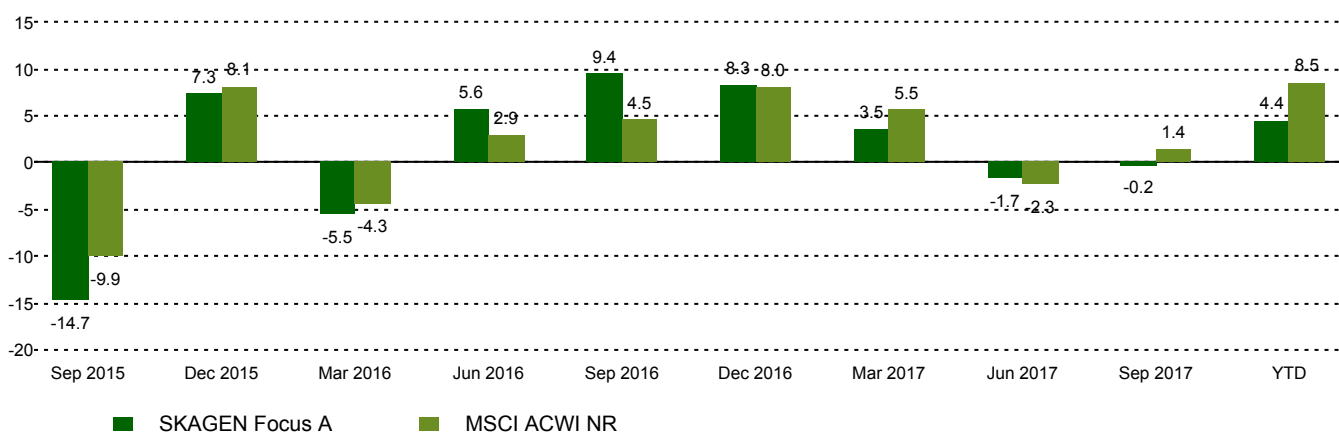
## Fund Facts

Type	Equity
Domicile	Norway
Launch date	26.05.2015
Morningstar category	Global Flex-Cap Equity
ISIN	NO0010735129
NAV	12.39 EUR
Fixed management fee	1.60%
Total expense ratio (2016)	2.24%
Benchmark index	MSCI ACWI NR
AUM (mill.)	259.97 EUR
Number of holdings	35
Lead manager	Filip Weintraub

## Historical performance (net of fees)

Period	SKAGEN Focus A	Benchmark index
Last Month	2.8%	3.8%
Year to date	4.4%	8.5%
Last year	11.9%	15.8%
Last 3 years	n/a	n/a
Last 5 years	n/a	n/a
Last 10 years	n/a	n/a
Since start	1.8%	4.7%

## Quarterly Performance



## Contributors in the month

### Largest contributors

Holding	Weight (%)	Contribution (%)
Omega Protein Corp	1.60	0.97
X-Fab Silicon Foundries	3.09	0.56
AIG	6.37	0.49
Hyundai Motor Co	3.20	0.49
Softbank Group Corp	4.51	0.47

### Largest detractors

Holding	Weight (%)	Contribution (%)
Teva Pharmaceutical	2.30	-0.51
Jbs SA	3.56	-0.37
UniCredit Spa	3.28	-0.24
Telecom Italia Spa	5.53	-0.21
Gold Fields Ltd	3.37	-0.20

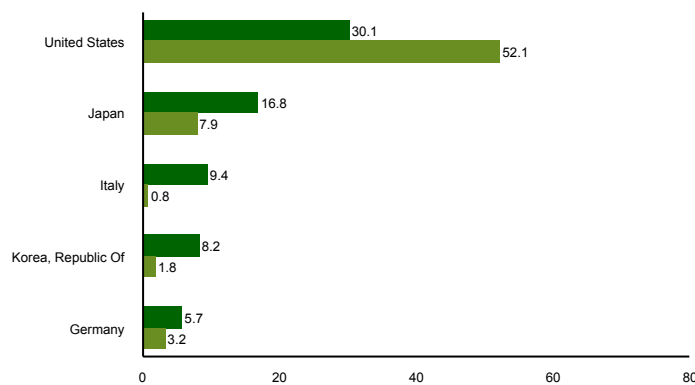
Absolute contribution based on NOK returns at fund level

All data in EUR as of 31.10.2017 unless otherwise stated.

## Top ten investments

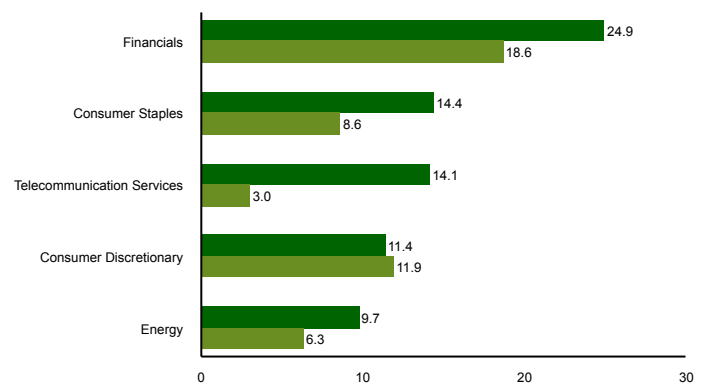
Holding	Sector	Country	%
AIG	Financials	United States	6.5
Telecom Italia Spa	Telecommunication Services	Italy	5.3
Andeavor	Energy	United States	5.0
China Telecom	Telecommunication Services	China	4.6
Softbank Group	Telecommunication Services	Japan	4.3
Bank of Kyoto	Financials	Japan	4.1
Schaeffler	Industrials	Germany	3.6
Hyundai Motor	Consumer Discretionary	Korea, Republic Of	3.5
Taiheiyo Cement	Materials	Japan	3.4
Gold Fields Ltd	Materials	South Africa	3.2
Combined weight of top 10 holdings			43.4

## Country exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR

## Sector exposure (top five)



■ SKAGEN Focus A ■ MSCI ACWI NR

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