

Alle Daten sind in EUR mit Stand vom 30/06/2018 sofern nicht anders angegeben.

Hurt by Emerging Market volatility

Tellus had a weak quarter relative to the index. The fund was hit by the volatility in emerging markets, while the index gained from a sharp appreciation of the US dollar and a somewhat stronger yen.

Emerging markets volatility

Emerging economies experienced a sharp correction in interest rates and exchange rates in the second quarter. The correction is essentially a reaction to tighter US monetary policy and a stronger US dollar. The fear of the consequences of a potential trade war initiated by the United States may also have had an impact.

The countries with a large dollarization of the economy, such as Argentina and Turkey, have been hardest hit. These countries have a high share of their debt in USD as well as large current account deficits. Their economies are in trouble, so the market has good reason to put a higher risk premium on the countries' debt and a lower value on their currency. Most countries have unjustifiably experienced increased interest rates and significant currency weakness, merely because of the general negative market sentiment.

The term "emerging economies" covers a large group of countries. Growth in emerging economies is generally good and many countries are in better shape today than a few years ago. The current account balances in most countries have improved and, while debt levels are higher, issuers have used the favourable issuance conditions over the past few years to lengthen maturity profiles. This makes them less vulnerable to a market correction like the one we have experienced lately. Growth in the US is good and is an important driver for further good strong growth in emerging markets.

For active investors it is important to look at the individual countries and not at emerging markets as a group. The most vulnerable are hardest hit for a reason, but the good ones are often shot by association. At times like this it can be tempting to sell out of our emerging markets holdings

and invest only in safe havens, i.e. to go with the flow. As long-term investors, we need to be able to sit through volatile periods, but be alert to developments that have an impact on the investment cases. A correction like the one we have seen can even provide exciting opportunities for the fund in emerging countries.

Uruguay hurt by Argentina

The largest laggards in the quarter were our investments in Uruguay and Mexico.

The negative sentiment in Argentina spilled over to its close neighbour Uruguay and resulted in a sharp depreciation of the Uruguayan peso and a sharp increase in interest rates. While the two countries have an economic relationship via trade, they are otherwise only geographically related. Uruguay has a strong and business-friendly economy and is often said to be the Switzerland of Latin America. We see the negative sentiment as transitory. The risk is if there is a large slowdown in growth in Argentina that will impact Uruguay through lower exports.

Our investment in Mexico also detracted from performance. The uncertainty related to the Presidential election and trade relations with the US have led to a negative market sentiment. The Mexican peso depreciated by almost 4 percent versus the euro.

Dominican Republic performs despite turbulence

Our investments in short-dated US treasuries were the largest contributors in the fund in the second quarter. The holdings benefited from the 5.2 percent appreciation of the US dollar.

Our Dominican Republic investments also contributed positively despite the turbulence in the quarter. The Dominican peso maintained its value relative to the USD and appreciated by just over 5 percent versus the euro. Furthermore, the long-term interest rate fell somewhat.



Photo: Unsplash



Photo: Unsplash

Italian political noise and a Greek debt deal

The political situation in Italy led to intra-quarter volatility in the peripheral holdings in the fund, but these positions ended the quarter more or less flat.

By the end of June it was finally clear that the Eurogroup has agreed that Greece will exit its final rescue package and get a debt relief package. Part of the agreement is that Greece must accept continued monitoring and stick to its commitment to structural and institutional reforms as well as fiscal targets.

This is positive for our investment in Greece. Together with a continued gradual improvement of the economy, we believe that this will lead to a fall in Greek credit premiums in going forward.

Portfolio changes

The fund invested in a short duration Czech Republic bond. The country is growing solidly and has very low unemployment. We expect wage growth to pick up and lead to higher inflation. This will lead the Czech Central Bank to increase rates faster and ahead of the ECB, leading the Czech krona to appreciate versus the euro.

We switched the USD-denominated Dominican Republic investment in to an international DOP-denominated bond. This is based on our view that there is more upside in the local bonds than the hard currency bonds. We reduced our position in New Zealand and increased our holding of short-dated US Treasuries.

Alle Daten sind in EUR mit Stand vom 30/06/2018 sofern nicht anders angegeben.

SKAGEN Tellus hat ein internationales Anlagemandat und investiert hauptsächlich in Staatsanleihen. Der Fonds eignet sich für Anleger mit einem Anlagehorizont von mehr als drei Jahren. Anleger müssen in der Lage sein, Währungsschwankungen zu tolerieren.

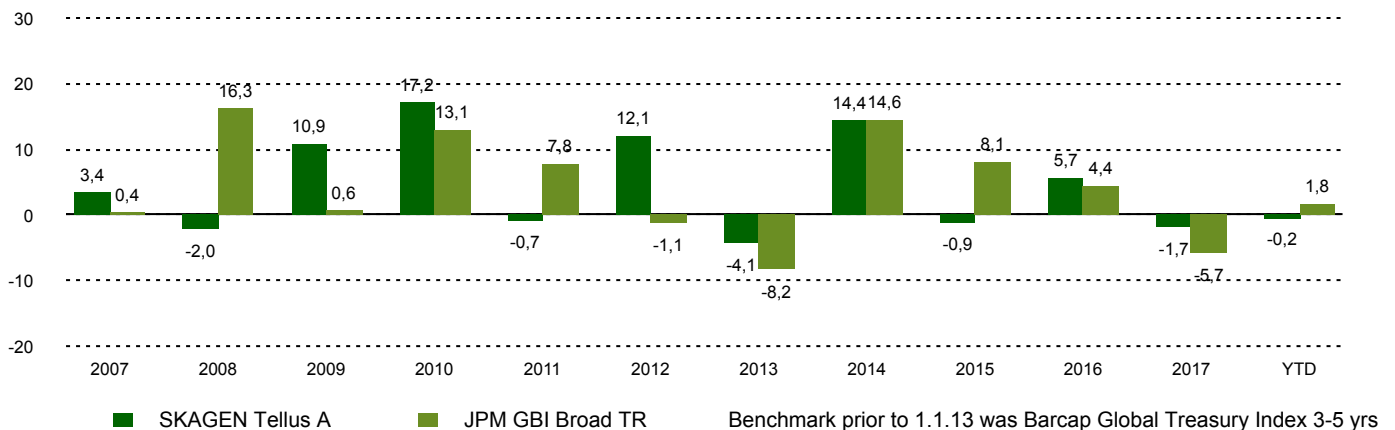
Historische Wertentwicklung

Zeitraum	SKAGEN Tellus A	Referenzindex
Letzter Monat	0,0%	-0,3%
Laufendes Quartal	0,7%	2,4%
Laufendes Jahr	-0,2%	1,8%
Letztes Jahr	-0,6%	-0,6%
Letzten 3 Jahre	0,4%	1,1%
Letzten 5 Jahre	2,3%	3,6%
Letzten 10 Jahre	5,3%	5,1%
Seit Auflage	4,5%	4,0%

Fondsinformation

Kategorie	Fixed income
Domizil	Norwegen
Gründungsdatum	29.09.2006
Morningstar Kategorie	Anleihen Global EUR
ISIN	NO0010327786
NAV	12,09 EUR
Feste Verwaltungsgebühr	0.80%
Referenzindex	JPM GBI Broad TR
Fondsvermögen	72,88 EUR
Zinssatzdauer	3,90
Durchschnittliche Restlaufzeit	5,35
Rendite	4,10%
Anzahl der Positionen	14
Portfolioteam	Jane Tvedt

Wertentwicklung in den letzten 10 Jahren



Beiträger laufendes Quartal



Die grössten positiven Beiträger

Position	Anteil (%)	Beitrag (%)
US Government	10,43	0,30
New Zealand Government	6,39	0,20
Dominican Republic	5,68	0,17
Norwegian Government	9,80	0,16
Republic of Chile	6,85	0,05

Absoluter Beitrag basiert auf NOK Erträgen auf Fondsebene



Die grössten negativen Beiträger

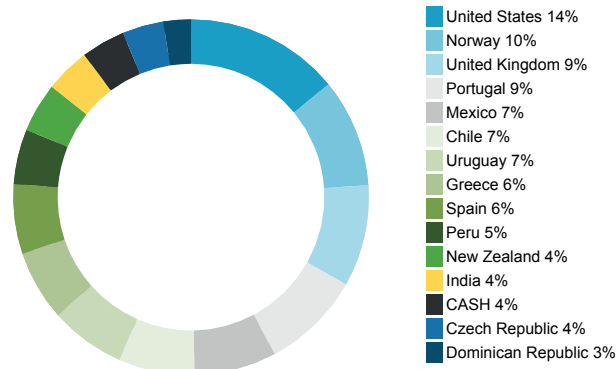
Position	Anteil (%)	Beitrag (%)
Republic of Uruguay	7,22	-0,59
Republic of Mexico	7,37	-0,30
Republic of Greece	6,08	-0,26
Portugese Government	8,77	-0,15
Spanish Government	6,63	-0,08

Alle Daten sind in EUR mit Stand vom 30/06/2018 sofern nicht anders angegeben.

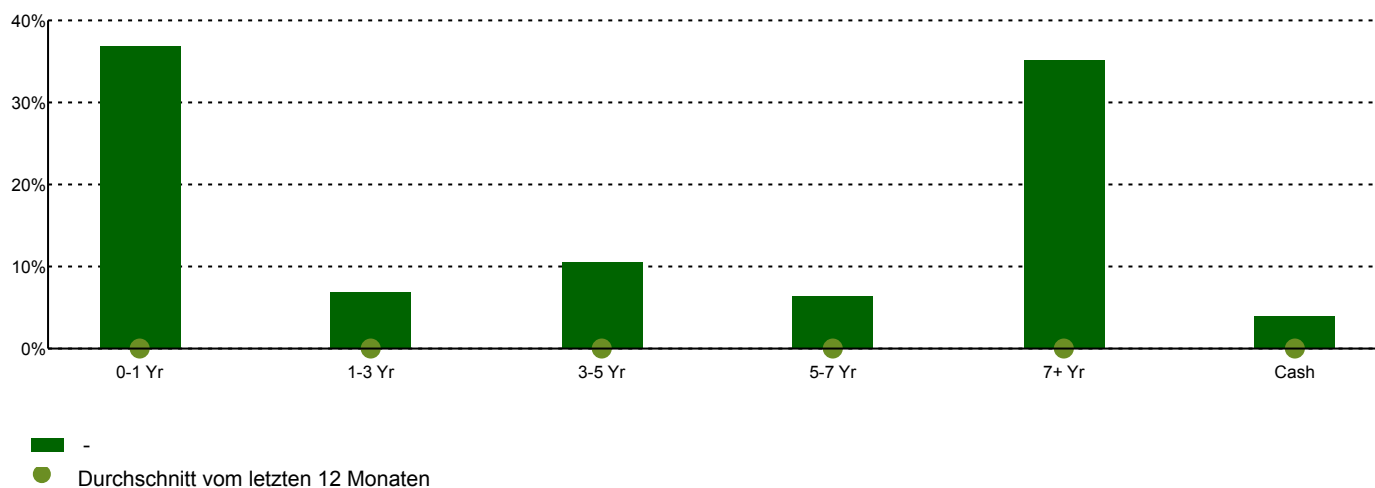
Top 10 Positionen

Position	Fondsanteil
US TREASURY N/B	14,1
Norwegian Government	9,9
UK Government	9,2
Portugese Government	9,0
Mexican Government	7,5
REPUBLIC OF CHILE	6,9
Uruguay Government	6,8
HELLENIC REPUBLIC	6,4
Spanish Government	6,3
REPUBLIC OF PERU	5,0
Total	81,2

Land Überblick



Laufzeitsstruktur



Kontakt



+47 51 80 37 09



contact@skagenfunds.com



SKAGEN AS, Postkasse 160, 4001, Stavanger, Norwegen

Wichtige Informationen

Dieser Bericht ist nur an qualifizierte Anleger gerichtet und darf nicht von nicht qualifizierten Anlegern genutzt werden. Alle in diesem Dokument enthaltenen Angaben zur Wertentwicklung sind in EUR, für die A Klasse, nach Abzug von Gebühren angegeben. Wenn nicht anders angegeben, ist SKAGEN AS die Quelle aller Information. In der Vergangenheit erzielte Erträge sind keine Garantie für künftige Erträge. Künftige Erträge hängen unter anderem von der Marktentwicklung, dem Geschick des Fondsmanagers, dem Risikoprofil des Fonds und den Ausgaben und Verwaltungsgebühren ab. Der Ertrag kann infolge negativer Kursentwicklungen negativ sein. Weitere Informationen über uns und unsere Produkte, wie zum Beispiel den Prospekt, KIID, Allgemeine Geschäftsbedingungen, Jahres- und Marktberichte sind auf unserer Webseite oder über unsere Informationsstelle in Deutschland beziehbar. Aussagen spiegeln den Standpunkt des Portfoliomanagers zu einem bestimmten Zeitpunkt wieder, und dieser Standpunkt kann ohne vorherige Ankündigung geändert werden. Dieser Bericht sollte nicht als Angebot oder Empfehlung zum Kauf oder Verkauf von Finanzinstrumenten verstanden werden. SKAGEN AS übernimmt keine Verantwortung für direkte oder indirekte Verluste oder Aufwendungen, die durch die Verwendung oder das Verständnis dieses Berichts entstehen. Mitarbeiter von SKAGEN AS können Eigentümer von Wertpapieren sein, die von Unternehmen begeben werden, auf die in diesem Bericht Bezug genommen wird oder die Teil eines Portfolios eines Fonds sind. SKAGEN AS hat CACEIS Bank S.A., Germany Branch, Lilienthalallee 34-36, 80939 München, Deutschland als Informationsstelle ernannt.