

All data in EUR as of 31/10/2018 unless otherwise stated.

Performance Commentary

The month was grim for global equities which experienced their steepest decline in six years. However, SKAGEN Global was more resilient than its benchmark and outperformed in October.

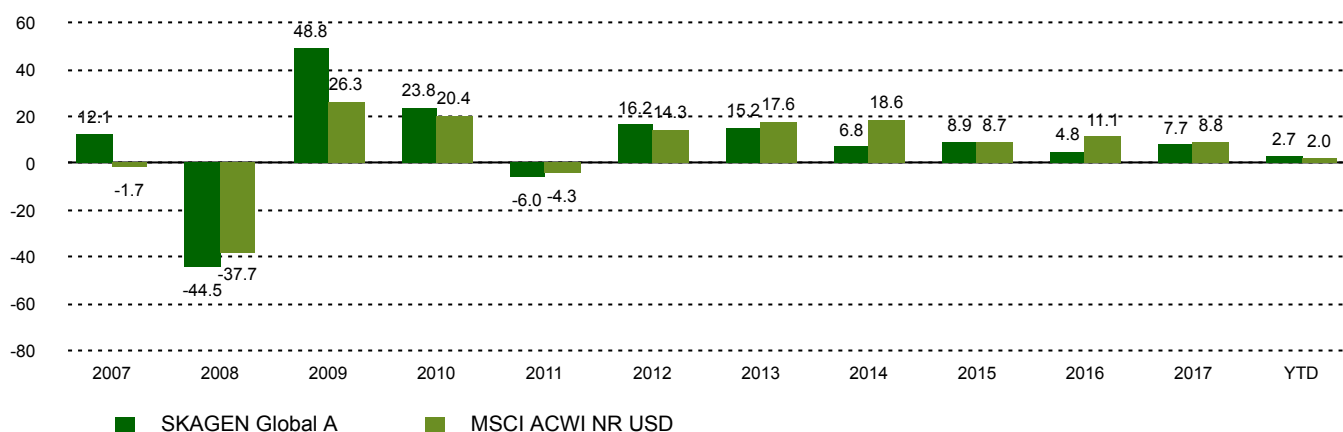
The fund's top-3 absolute performers were Intercontinental Exchange (ICE), Comcast and Marsh & McLennan, all of which have strong competitive positions and solid cash flows to provide a cushion during choppy markets. The bottom-3 absolute performers were UPM, Home Depot and 3M which pulled back primarily due to macro uncertainty. In the case of 3M, another round of lowered guidance added extra downward pressure.

We entered Hannover Re which brands itself as "the somewhat different reinsurer." Indeed, we view it as an undervalued differentiated reinsurer with prudent underwriting, a low-cost corporate culture and a genuine long-term oriented business attitude that tallies with our mandate. We used the market sell-off to selectively add to several other significantly undervalued portfolio holdings. Conversely, we exited the real estate company IRSA as well as the pharma giant Novo Nordisk, where we see intensifying competitive and regulatory pressure, in order to fund better opportunities elsewhere. The portfolio remains attractively valued.

Historical performance (net of fees)

Period	SKAGEN Global A	Benchmark index
Last month	-4.1%	-5.2%
Year to date	2.7%	2.0%
Last year	1.3%	2.5%
Last 3 years	5.1%	6.8%
Last 5 years	6.2%	10.1%
Last 10 years	11.0%	10.6%
Since start	13.4%	4.5%

Performance last ten years



The benchmark index prior to 1/1/2010 was the MSCI World Index.

Contributors in the month



Largest contributors

Holding	Weight (%)	Contribution (%)
Intercontinental Exchange Inc	5.12	0.31
Comcast Corp	2.27	0.27
Marsh & McLennan Cos Inc	3.39	0.21
Nasdaq Inc	1.96	0.10
Mayr Melnhof Karton AG	1.58	0.07



Largest detractors

Holding	Weight (%)	Contribution (%)
UPM-Kymmene OYJ	3.04	-0.46
Home Depot Inc/The	2.51	-0.31
3M Co	4.54	-0.31
Schindler Holding AG	2.51	-0.30
Beazley PLC	4.72	-0.30

Absolute contribution based on NOK returns at fund level
The art of common sense

The fund selects undervalued companies from around the world, including emerging markets, with attractive risk-reward for long-term investors.

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.

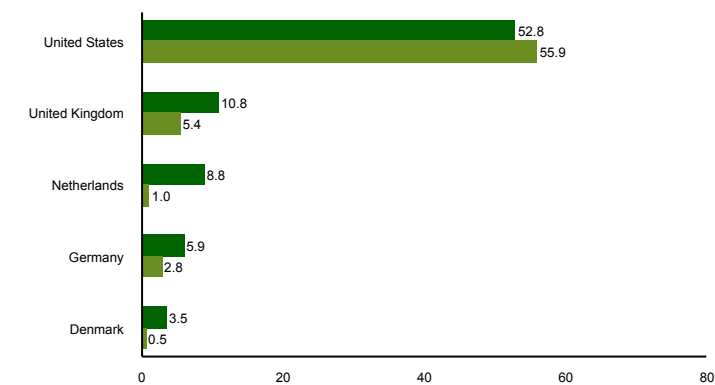
Fund Facts

Type	Equity
Domicile	Norway
Launch date	07.08.1997
Morningstar category	Global Large-Cap Blend Equity
ISIN	NO0008004009
NAV	176.55 EUR
Fixed management fee	1.00%
Total expense ratio (2017)	1.00%
Benchmark index	MSCI ACWI NR USD
AUM (mill.)	2731.34 EUR
Number of holdings	37
Portfolio manager	Knut Gezelius

Top ten investments

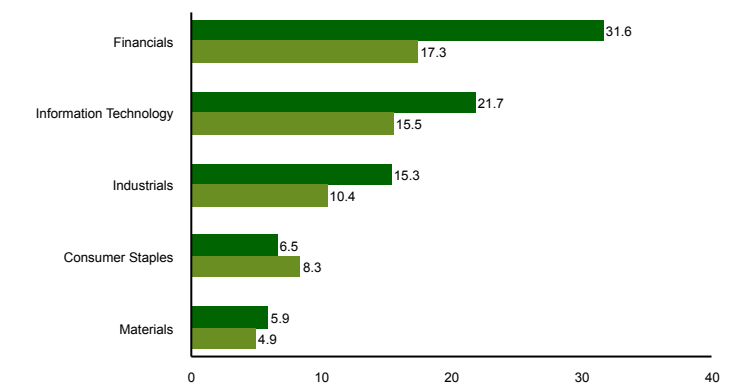
Holding	Sector	Country	%
Microsoft	Information Technology	United States	6.4
Intercontinental Exchange Inc	Financials	United States	5.4
Hiscox	Financials	United Kingdom	4.8
Unilever CVA	Consumer Staples	Netherlands	4.7
Beazley PLC	Financials	United Kingdom	4.7
3M	Industrials	United States	4.4
Marsh & McLennan	Financials	United States	3.6
DSV	Industrials	Denmark	3.5
Samsung Electronics	Information Technology	Korea, Republic Of	3.2
UPM-Kymmene OYJ	Materials	Finland	3.1
Combined weight of top 10 holdings			43.7

Country exposure (top five)



■ SKAGEN Global A ■ MSCI ACWI NR USD

Sector exposure (top five)



■ SKAGEN Global A ■ MSCI ACWI NR USD

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Important information

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. 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 find 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 branch office. 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.

