



## Fund facts

ISIN: NO0008000445

Launch date, share class: 01.12.1993

Launch date, fund: 01.12.1993

Domicile: NO

NAV: 439.70 EUR

AUM: 1,061 MEUR

Benchmark index: MSCI Nordic/MSCI AC ex. Nordic

Minimum purchase: 50 EUR

Fixed management fee: 1.00 %

Performance fee: 10.00 % (see prospectus for details)

Ongoing charge: 1.00 %

Number of holdings: 53

SFDR: Article 8



**Søren Milo Christensen**  
Managed fund since  
09 April 2018



**Sondre Solvoll  
Bakketun**  
Managed fund since  
08 November 2022

## Investment strategy

SKAGEN Vekst invests in companies that are attractively priced relative to expected profitability and growth. The majority of the fund is invested in the Nordic region and the remainder worldwide. The fund is suitable for investors with a minimum five-year investment horizon. Subscriptions are made in fund units and not directly in stocks or other securities. The benchmark reflects the fund's investment mandate. Since the fund is actively managed, the portfolio will deviate from the composition of the benchmark. Effective 01.01.2014, the fund's investment mandate changed from investing a minimum of 50% of its assets in Norway to investing a minimum of 50% of its assets in the Nordic countries. This means that returns prior to the change were achieved under different circumstances than they are today.

# SKAGEN Vekst A

RISK PROFILE



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YTD RETURN

14.19 %

31.07.2024

ANNUAL RETURN

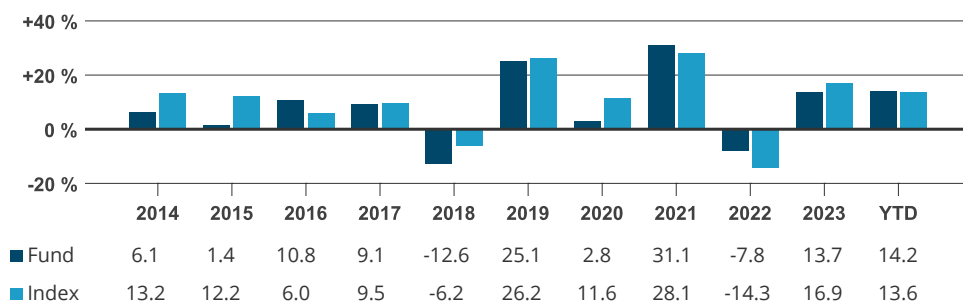
11.40 %

Average last 5 years

Monthly report for July as of 31.07.2024. All data in EUR unless otherwise stated.

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. The fund's Key Investor Information Document and prospectus are available on [www.skagenfunds.com](http://www.skagenfunds.com)

## Historical return in EUR (net of fees)



Prior to 01.01.2014, the benchmark index was an evenly composed benchmark index consisting of the Oslo Stock Exchange Benchmark Index (OSEBX) and the MSCI All Country World. The benchmark index prior to 01.01.2010 was the Oslo Stock Exchange Benchmark Index (OSEBX).

Period	Fund (%)	Index (%)	Key figures	1 year	3 years	5 years
Last month	0.11	-0.44	Standard deviation	8.52	12.83	17.03
Year to date	14.19	13.58	Standard deviation index	10.12	14.61	15.87
Last 12 months	19.18	21.12	Tracking error	6.95	7.42	7.57
Last 3 years	9.17	6.71	Information ratio	-0.28	0.33	-0.06
Last 5 years	11.40	11.85	Active share: 82 %			
Last 10 years	7.67	10.01				
Since inception	12.46	9.91				

Returns over 12 months are annualised.

## Monthly commentary, July 2024

**Global equities were mostly higher in July but with higher volatility and substantial underlying rotation between sectors. Given the significant weakening of the currency, Norwegian-based investors saw a very respectable return. SKAGEN Vekst also benefited from these underlying developments and slightly outperformed the overall market. This outperformance came in the latter part of the month, as the fund was not hurt to the same extent by the sell-off in technology-related stocks.**

The Danish logistics company DSV was a major positive contributor to the fund's absolute return in July on the back of a very strong Q2 result. DSV delivered accelerated organic growth across all divisions while also initiating a new cost-cutting programme. We continue to see solid upside in the stock both on an absolute basis and relative to peers as its strong organic growth is not reflected in the current share price. We also have a near-term trigger if the company wins the bid for DB Schenke. However, following very strong performance over the past month, we scaled back our position in July as the upside to our fundamental target price has narrowed. The Korean bank KB Financial also delivered a solid result for the second quarter and was rewarded by the stock market. The results showed everything we were hoping for with very strong credit quality, good cost control, combined with more buybacks and cancellations of treasury shares. We continue to see 100% upside in the stock driven by a combination of two factors: i) strong book value per share growth; and ii) a higher valuation driven by a lower implied cost of capital, as the market gets more comfortable around the quality of its loan book. Bonheur was another strong performer in July after reporting a strong set of numbers for the second quarter. The company delivered solid results across all segments, in particular the Wind Service segment. This was driven by a continued



strong operational performance but also helped by a couple of one-off items in relation to the termination of a contract for one vessel. The market outlook remains tight so there should be no difficulties in securing a new contract for the vessel. The stock is still cheap, but we took advantage of the strong share price and took some profit in the stock.

The Danish pharma giant Novo Nordisk was the largest detractor in July. The stock was hurt by positive data from competitors' products and a general sell-off in growth-related stocks. We have always expected more competition in the treatment of diabetes and obesity and have already reflected this in our estimates. We continue to see the market underestimating the company's earnings growth opportunity in obesity. We also believe the market completely misses the potentially huge opportunity the company has in the treatment of Alzheimer's. The Chinese oil and gas company CNOOC also had a difficult month driven by a combination of a declining oil price combined with weak sentiment in the Chinese stock market in general. While the stock has done exceptionally well since we bought it, this has entirely been driven by higher earnings. Thus, we continue to see significant upside from a combination of an attractive dividend yield, decent earnings growth, and potential for more buybacks. Following a very strong share price performance this year, the Korean conglomerate SK Square declined in July as it was hurt by a weak share price development in its underlying company SK Hynix. We had used the strong share price development earlier in the year to trim our position but continue to see solid upside in the shares. SK Square trades at a significant discount to its underlying value despite clear positive steps from the company to reduce this discount via monetisation of ownership stakes and actively buying back shares.

We used periodic weakness in July to add to several of our holdings, including Boliden, UPM-Kymmene, Lerøy Seafood Group, Novo Nordisk, Vestas Wind Systems, and Carlsberg. We also used the general weakness in the Chinese market to add to our position in Ping An Insurance Group. To fund these, we scaled back our positions in DSV, Bonheur, and Lundbeck following strong share price performance. We also continued to reduce our holdings in IT companies with AI exposure like Broadcom, Alphabet, and Applied Materials at the beginning of the month, as strong share price development had reduced the upside to our target price.

Overall, we still favour attractively priced companies within the financial, industrial, and energy sectors. These are also sectors where earnings expectations and valuation will not be unduly hurt in an environment where inflation does not return to the abnormally low levels we saw in the aftermath of the pandemic. Despite the steep falls in the latter part of July, we still see substantial downside risk in a lot of highly priced growth companies, particularly in the US stock market. If the current consensus of falling inflation and interest rates proves to be right, we expect the fund to lag the overall market, but still provide a decent absolute return in 2024. However, if inflation surprise on the upside, the fund should provide much better downside protection than the benchmark – similar to what we saw in 2022, in the autumn of 2023, and again in April this year. It is also worth pointing out, that the fund has shown better downside protection compared to the overall market in periods when the large IT companies sell off aggressively, like we saw in the latter part of July.

## Contribution last month

 Largest contributors	Weight (%)	Contribution (%)	 Largest detractors	Weight (%)	Contribution (%)
DSV A/S	2.80	0.58	Novo Nordisk A/S	8.62	-0.54
KB Financial Group Inc	4.02	0.56	Cnooc Ltd	3.14	-0.19
Bonheur ASA	2.85	0.49	SK Square Co Ltd	0.88	-0.11
Essity AB	3.04	0.36	Applied Materials Inc	1.39	-0.10
H Lundbeck A/S	2.18	0.31	UPM-Kymmene Oyj	2.92	-0.09

Absolute contribution based on NOK returns at fund level.

## Portfolio information

Top 10 investments	Share (%)	Country exposure	Share (%)	Sector exposure	Share (%)
Novo Nordisk A/S	<b>8.5</b>	Denmark	<b>20.7</b>	Financials	<b>20.0</b>
KB Financial Group Inc	<b>4.2</b>	United States	<b>15.4</b>	Industrials	<b>16.2</b>
Nordea Bank Abp	<b>3.6</b>	Norway	<b>11.9</b>	Health care	<b>10.8</b>
Telenor ASA	<b>3.4</b>	South Korea	<b>11.7</b>	Communication Services	<b>10.1</b>
Essity AB	<b>3.1</b>	Finland	<b>10.1</b>	Information technology	<b>10.1</b>
Shell PLC	<b>3.1</b>	Sweden	<b>8.9</b>	Materials	<b>9.4</b>
Bonheur ASA	<b>3.0</b>	China	<b>8.7</b>	Consumer Staples	<b>7.5</b>
ISS A/S	<b>3.0</b>	Brazil	<b>2.9</b>	Energy	<b>7.2</b>
UPM-Kymmene Oyj	<b>2.9</b>	Guatemala	<b>2.1</b>	Real estate	<b>2.6</b>
Yara International ASA	<b>2.9</b>	United Kingdom	<b>2.0</b>	Consumer discretionary	<b>2.4</b>
Total share	<b>37.6 %</b>	Total share	<b>94.4 %</b>	Total share	<b>96.3 %</b>

## Sustainability

### SKAGEN's approach to sustainability

Our ESG approach is built on four pillars. In keeping with SKAGEN's active investment philosophy, our sustainability activities centre on active engagement with our holding companies, which is where we believe we can have the greatest impact. We recognise, however, that the full potential of a sustainable investment strategy is best realised when combining the following four pillars.

- ✓ Exclusion
- ✓ Enhanced due diligence
- ✓ ESG factsheet
- ✓ Active ownership

## IMPORTANT INFORMATION

This is a marketing communication. Except otherwise stated, the source of all information is Storebrand Asset Management AS. Statements reflect the portfolio managers viewpoint at a given time, and this viewpoint may be changed without notice.

Future fund performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future.

The tax treatment of the gains and losses made by the investor and distributions received by the investor depend on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the Fund, investors are urged to consult with their tax advisor for a complete understanding of the tax regime, which is applicable to their individual case.

Storebrand Asset Management AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds and has its registered office at Professor Kohts vei 9, 1366 Lysaker, Norway. Storebrand Asset management AS is part of the Storebrand Group and owned 100% by Storebrand ASA. Storebrand Group consists of all companies owned directly or indirectly by Storebrand ASA.

Following the merger of Storebrand Asset Management AS and SKAGEN AS, SKAGEN's portfolio team will continue to manage the funds' portfolios from the new separate legal entity, SKAGEN AS, while Storebrand Asset Management AS carries out the role of the management company.

No offer to purchase units can be made or accepted prior to receipt by the offeree of the Fund's prospectus and PRIIPS KID (for UK: KIID) and the completion of all appropriate documentation. You can download more information including subscription/redemption forms, full prospectus, PRIIPs KID (for UK: KIID), General Commercial Terms, Annual Reports and Monthly Reports in English language from SKAGEN's webpages.

Investors rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in English is available here: [www.skagenfunds.com/contact/investor-rights/](http://www.skagenfunds.com/contact/investor-rights/) The investor rights summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

Storebrand Asset Management AS may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

For further information about sustainability-related aspects of the Fund, including the sustainability disclosure summary in English, please refer to: [www.skagenfunds.com/sustainability/sustainable-investing/](http://www.skagenfunds.com/sustainability/sustainable-investing/) The sustainability disclosure summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus.

#### **Important information for UK Investors**

Storebrand Asset Management AS has established a subsidiary in the UK. Storebrand Asset Management UK Ltd is located at 15 Stratton Street, London, W1J 8LQ. Storebrand Asset Management UK Ltd is an Appointed Representative of Robert Quinn Advisory LLP, which is authorised and regulated by the Financial Conduct Authority. Storebrand Asset Management UK Ltd is incorporated in England and the registered office is at 15 Stratton Street, London, England, W1J 8LQ. The investment products and services of Storebrand Asset Management UK Ltd are only available to professional clients and eligible counterparties. They are not available to retail clients. For more information, please contact Storebrand Asset management UK Ltd.'s team.

#### **Important Information for Luxembourg Investors**

For more information, please contact SKAGEN's Stavanger based International team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.

#### **Important Information for Irish Investors**

For more information, please contact SKAGEN's Stavanger based International team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.

#### **Important Information for Dutch Investors**

For more information, please contact SKAGEN's Stavanger based international team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.

#### **Important Information for Icelandic Investors**

For more information, please contact SKAGEN's Stavanger based international team: [international@skagenfunds.com](mailto:international@skagenfunds.com)  
For Facilities Services information please refer to our webpages.