SKAGEN Global A

Alle tall er i DKK per 31/12/2020

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A year dominated by the pandemic

The coronavirus dominated virtually every aspect of the market in 2020. The pandemic will likely go down in history as a black swan event on par with the global financial crisis and 9/11. While politicians scrambled to contain the virus by locking down economies, central banks flooded the market with liquidity to avoid a market meltdown. Curiously, the global equity market looked through the devastated global economy and delivered solid returns for the year.

SKAGEN Global underperformed its benchmark index MSCI AC World during the calendar year 2020. Although many holdings delivered strong relative returns, it was not enough to offset the negative impact from other names that struggled due to the pandemic. For example, the specialty insurers Beazley and Hiscox were hit particularly hard as the unprecedented shutdowns incurred outsized losses due to event cancellations, business interruption and other related areas on a scale that had never been seen before in these areas. With the virus still circulating and strict lockdown regimes in place for many countries, uncertainty remains high and these investment cases have become more binary. Moreover, the pandemic propelled public debt to record levels across the globe and this development has further weakened long-term fundamentals for financial companies, in our view. Against this backdrop, the fund eliminated its direct exposure to insurance companies during the year and redeployed the capital toward new and existing names with more attractive long-term prospects. We also sold out of our only bank, namely JP Morgan.

Going into the crisis, the fund did not have any holdings in the energy or travel sectors that subsequently suffered from heavy losses caused by the pandemic. The fund's three strongest performers measured by absolute return in 2020 were Microsoft, Adobe and DSV Panalpina. The fund's three largest detractors in absolute terms for 2020 were Beazley, Hiscox and JP Morgan.

Quarterly review
The US presidential election and the ensuing rotation into cyclicals after Pfizer's surprise vaccine announcement dominated the news flow during the fourth quarter. The global equity market advanced into year end and the US dollar retreated against most currencies. SKAGEN Global underperformed its benchmark index MSCI AC World during the fourth quarter.

Attribution
The fund's three strongest quarterly performers measured by absolute return were LVMH, ASML and Samsung Electronics. The French luxury goods giant LVMH gained as the market viewed increased travel and shopping as more likely with a vaccine available. The semi-conductor stocks ASML and Samsung Electronics benefitted from market optimism around a global economic recovery. The fund's three largest quarterly detractors in absolute terms were Home Depot, Adobe and Baxter International. Profit-taking had a small negative impact on Home Depot and Adobe while sentiment remained negative on Baxter International.

Portfolio Activity
The fund initiated six new positions and exited seven positions during the quarter. We built a position in the railway operator Canadian Pacific. The company enjoys an underappreciated wide moat with select opportunities for growth given its transcontinental footprint and strong operational capability. The case includes a favourable ESG component that is not yet widely discussed in the market.

The fund added a position in the leading software design company Autodesk which targets customers primarily in Architecture, Engineering and Construction (AEC). The recent transition to a cloud-based subscription model enables the company to better capture its share of the profit pool in a large and expanding global end market.
MarketAxess, the leading electronic trading platform for fixed income products, joined the portfolio. The low degree of electronification in credit trading makes this segment ripe for a secular shift from analogue to digital. Using its powerful recursive business model, MarketAxess has steadily grown its market share and we see a multi-year runway for further growth with significant embedded optionality. As previously communicated, we also initiated positions in Estée Lauder, Hermès and Intuit.

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Key sells
We sold our shares in the med-tech company Baxter International after an extended period of uneven execution. In addition, we dropped the professional services firm Aon as we believe the merits of the merger with Willis Towers Watson will be less than anticipated given regulatory concerns and market fundamentals. As previously communicated, we also exited positions in Atmos Energy, Beazley, Comcast, Hannover Re and RELX.

Outlook
The global fight against COVID-19 and a possible path towards some sense of normality are likely to dominate market movements in the coming months. We have no crystal ball to tell us how these events will unfold, but we hope for considerable progress by early summer. In the meantime, the portfolio is undervalued and comprised of well-managed companies with a superior ability to create value over time for long-term shareholders.

Kvartalsvis rapport

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SKAGEN Global investerer i en aktivt forvaltet og diversifisert portefølje av undervurderte selskaper over hele verden, inkludert vekstmarkeder.

Målet er å gi andelseierne best mulig risikojustert avkastning over tid.

Fondet passer for investorer som har minst fem års investeringshorisont.

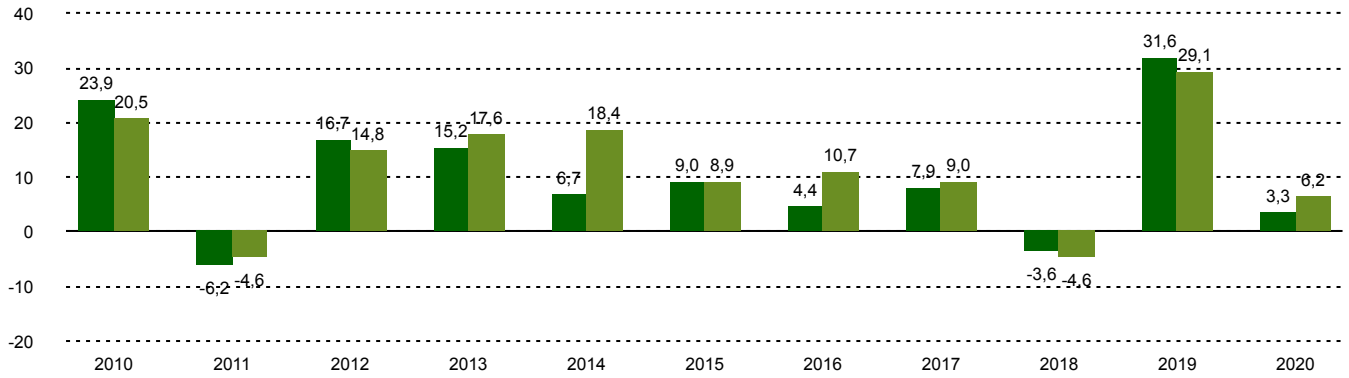
Historisk avkastning

Periode	SKAGEN Global A	Referanseindeks
Siste måned	3,0%	2,3%
Hittil i kvartal	4,9%	9,5%
Hittil i år	3,3%	6,2%
Siste år	3,3%	6,2%
Siste 3 år	9,4%	9,4%
Siste 5 år	8,1%	9,6%
Siste 10 år	8,0%	10,1%
Siden start	13,3%	5,2%

Fondsfakta

Type	Aksjefond
Domisil	Norge
Start dato	07.08.1997
Morningstarkategori	Globale, Store selskaper, Blanding
ISIN	NO0008004009
NAV	1677,72 DKK
Årlig forvaltningshonorar	1.00%
Totalkostnad (2019)	1.28%
Referanseindeks	MSCI ACWI NR USD
Forvaltningskapital (mill.)	21798,06 DKK
Antall poster	33
Porteføljeforvalter	Knut Gezelius

Avkastning siste 10 år



Før 1. januar 2010 var referanseindeksen MSCI World Index.

Bidragsytere i kvartalet

Største positive bidragsytere

Navn	Vekt (%)	Bidrag (%)
LVMH Moet Hennessy	2,71	0,53
ASML Holding NV	2,61	0,50
Samsung Electronics	1,13	0,41
Alphabet Inc	4,43	0,36
MSCI Inc	2,10	0,31

Største negative bidragsytere

Navn	Vekt (%)	Bidrag (%)
Home Depot Inc/The	3,38	-0,43
Adobe Inc	4,68	-0,33
Baxter International	2,28	-0,28
Marsh & McLennan	3,68	-0,27
Abbott Laboratories	3,46	-0,27

I NOK for alle andelsklasser

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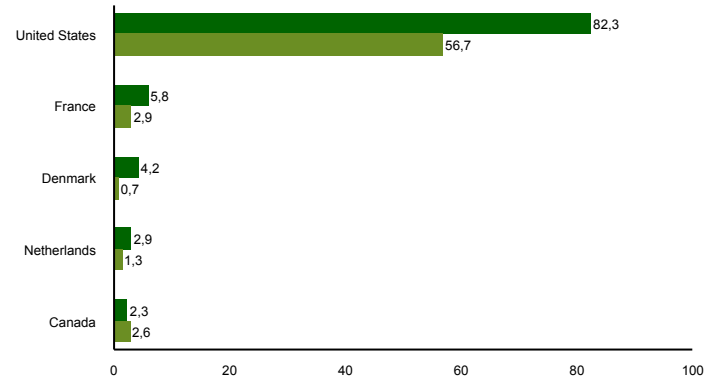
10 største investeringer

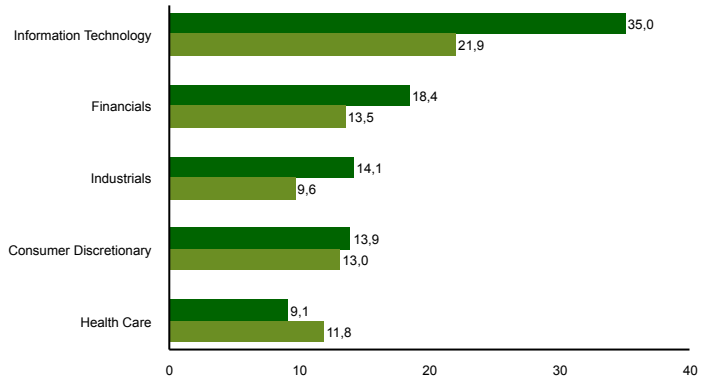
Navn	Sektor	Land	%
Microsoft Corp	Information Technology	United States	6,1
Mastercard Inc	Information Technology	United States	4,7
Adobe Inc	Information Technology	United States	4,6
Visa Inc	Information Technology	United States	4,6
Intercontinental Exchange Inc	Financials	United States	4,4
Alphabet Inc	Communication Services	United States	4,4
Moody's Corp	Financials	United States	4,3
DSV PANALPINA A/S	Industrials	Denmark	4,2
Nasdaq Inc	Financials	United States	3,8
Autodesk Inc	Information Technology	United States	3,8
Samlet vekting			45,0

Landeksponering (topp 5)



SKAGEN Global A MSCI ACWI NR USD

Bransjefordeling (topp 5)



SKAGEN Global A MSCI ACWI NR USD

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