KUYLENSTIERNA & SKOG S.A. ASSETMANAGEMENT

DECEMBER

NAV 106.19

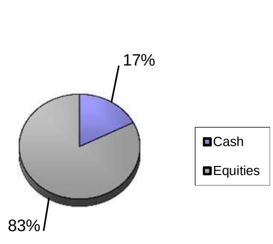
Monthly Report December 2013

2013 can be summed up as a strong year for stocks in which the U.S. and the European markets rose sharply, while emerging markets delivered poor performance. The performance in the U.S. and European markets was notably based on multiple expansions, i.e., higher corporate valuations and rising P/E ratios.

In Sweden, the news flow during December mainly focused on the interest rate cut by 0.25 percentage points to 0.75%. In the U.S., the Fed decided to reduce purchases of government and mortgage securities from USD 85 billion a month to USD 75 billion (tapering). At the same time figures showed the lowest unemployment rate in five years.

On our way into 2014, we believe that the equity markets should be able to continue to deliver positive returns; low inflation, low interest rates, further quantitate easing, continued recovery of the global economy and few alternatives to the stock market suggests further gains. 2014 also looks like it will be the first year since 2010 when all of the world's major economies are growing simultaneously.

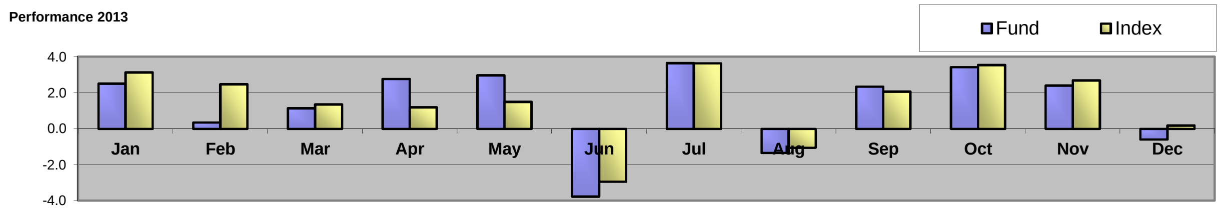
Asset breakdown

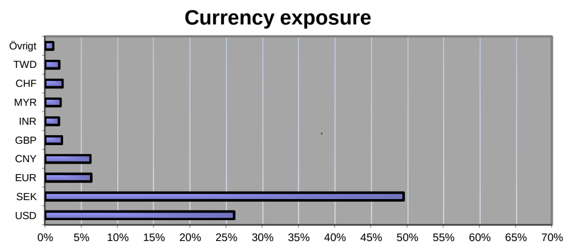


Monthly performance (%)

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund	2013	2.5	0.4	1.2	2.8	3.0	-3.8	3.7	-1.3	2.4	3.4	2.4	-0.6	16.8
Index	2013	3.1	2.5	1.4	1.2	1.5	-2.9	3.7	-1.1	2.1	3.6	2.7	0.2	19.2

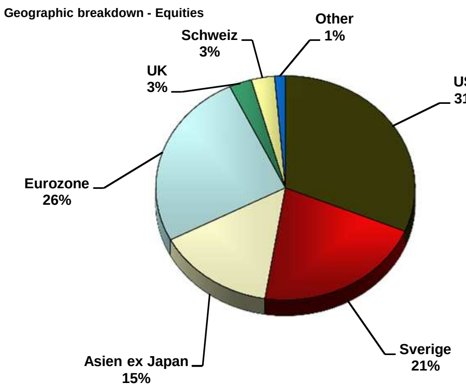
The comparison index consists of: 70% MSCI World Free Index and 30% MSCI Sweden Index

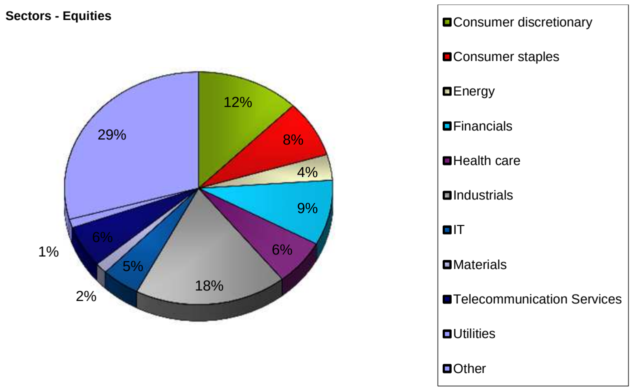




Five biggest holdings

Ishares China Large Cap	4.1%
Fidelity Funds Italy	2.9%
Ishares Dow Jones	2.5%
Ishares S&P 500	2.5%
Powershares Nasdaq	2.4%





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