

# MONTHLY LETTER

## OCTOBER 2015

TUNDRA  FONDER

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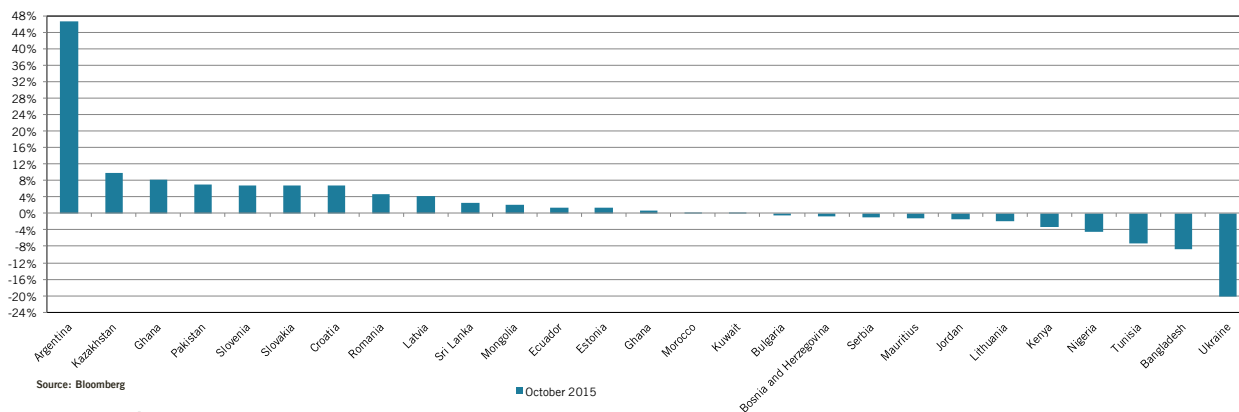
October was marked by a strong month for equity. Frontier markets rose by 6.6% in SEK terms, the first positive month since April. The asset class was helped by index heavy weight Argentina, which rose noticeable 46% during the month as opposition candidate Mauricio Macri did unexpectedly well in the country's presidential election. A second round of election is now planned and the market has raised its expectations for a power shift in the country. Among other major frontier markets, the return was mixed – Pakistan (+7%) and Vietnam (+8%) rose during the past month while Bangladesh (-9%), Nigeria (-5%) and Kenya (-3%) fell. Frontier underperformed emerging markets (+8%) as well as developed markets (+9%). The weak Swedish Krona contributed positively to the return.

The strong appetite for equity is explained by the additional monetary stimulus or at least expectations of such from three of the world's leading central banks. The latest Fed minute expressed some concern in terms of future rate hikes. On the other side of the Atlantic, the ECB intends to expand its QE during December. China's PBOC was however most active and cut the policy rate by 25 basis points, cut the reserve requirement as well as cut the down payment on mortgages. The global sentiment was also helped by China announcing higher GDP growth rates than expected for Q3, 6.9%.

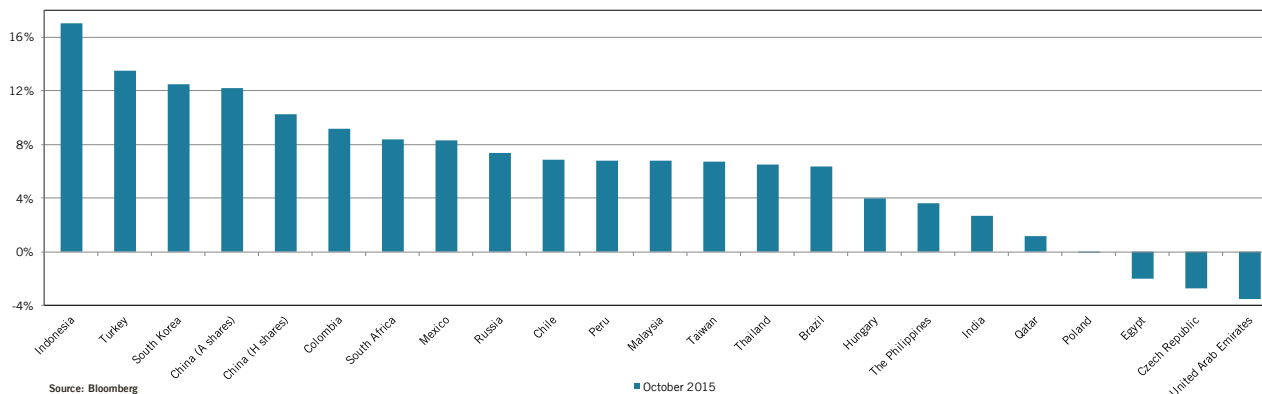
The macro news flow was however not only positive for frontier markets – PMI for Vietnam printed below the 50 hurdle level signalling a slowing growth rate for the first time in two years and the Worldbank cut its growth expectations for 2015 for Sub-Sahara to the lowest level since 2009.

Including September, frontier market funds globally had 12 consecutive months of redemption. According to EPFR, investors sold frontier funds corresponding to USD 200m during September. The lack of appetite for frontier markets is apparent on the bond market as well – end of October Ghana raised less money than hoped in a bond issuance for the second time in a month. Zambia managed to raise money in its bond issuance but the tranche was only oversubscribed twice compared to 16 times during the heydays in 2012.

### Return frontier markets (SEK, total return)



### Return emerging markets (SEK, total return)



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Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Frontier Opportunities	152.4	5.5%	1.0%	3.3%	52.4%
Benchmark (MSCI FM xGCC Net (SEK))	5169.2	6.6%	-0.9%	-3.8%	28.3%

Facts	Risk and costs*
Inception date	2013-04-02
Inception price	100.00
Pricing	Daily
Manager	Tundra Fonder AB
Benchmark index	MSCI FM xGCC Net (SEK)
Bank account	SEB 5851-1078355
ISIN	SE0004211282
PPM	861229
Bloomberg	TUNDFRO SS
AuM	377.5 MSEK

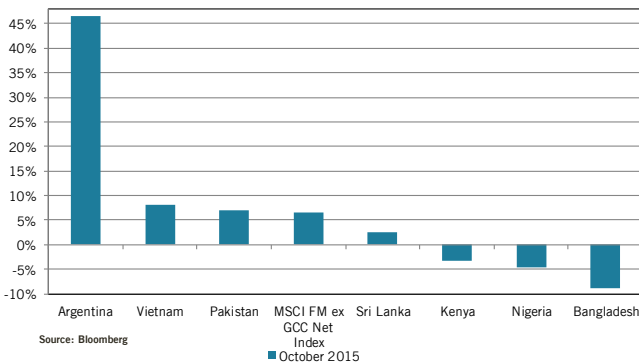
\* Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

Best performers in October		Worst performers in October	
	Return (SEK)		Return (SEK)
Banco Macro Sa-B	54.6%	Diamond Bank	-21.7%
Grupo Galicia-B	46.5%	Fbn Holdings Plc	-16.5%
Bbva Banco Franc	45.0%	United Bank Afr	-15.6%
Ypf Sa-D	36.3%	Access Bank Plc	-10.0%
Cresud Sa	30.6%	Tbc Bank Jsc-Gdr	-8.7%

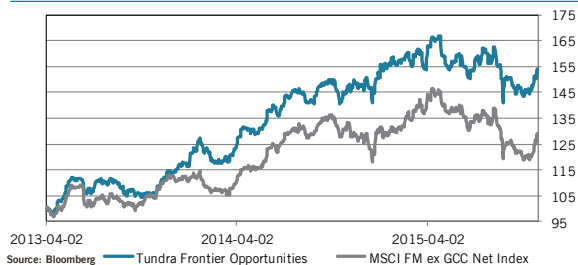
Five largest holdings						Return 1
Holding	Portfolio weight	Country	P/E 2014A	P/E 2015E	Yield	month (SEK)
Zenith Bank Plc	7.4%	Nigeria	5.8	5.3	10.2%	6.3%
Active Fine Chem	5.2%	Banglad.	-	-	-	0.9%
Brac Bank Ltd	5.1%	Banglad.	-	-	6.4%	14.6%
John Keells Hldg	4.0%	Sri Lanka	16.5	15.1	1.7%	4.6%
Fpt Corp	4.0%	Vietnam	11.8	10.3	3.8%	13.2%

Source: Bloomberg, Tundra Fonder

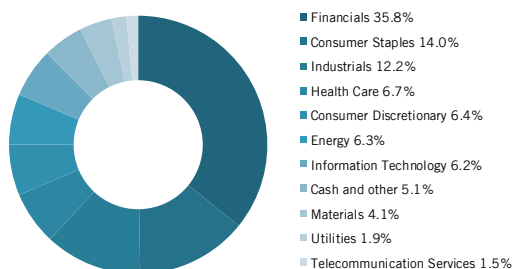
### Major frontier markets (SEK, total return)



### Tundra Frontier Opportunities vs index (since inception)



### Tundra Frontier Opportunities: Sector allocation



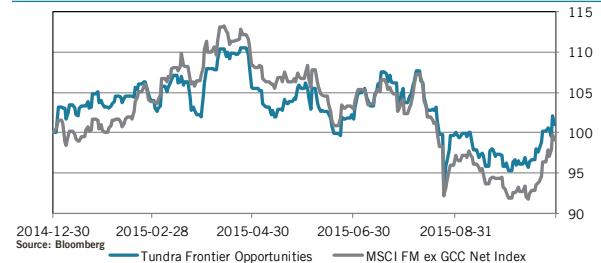
### The market

MSCI Frontier Markets xGCC Net (SEK) rose 6.6% during the month, compared to MSCI Emerging Markets Net (SEK), which rose 8.3%. This constitute the first month with rising local share prices since April 2015. Argentina (which constitutes 13% of the index) rose 47%, which explains a large part of the rise. Among other markets Kazakhstan (+10%), Vietnam (+8%) and Pakistan (+7%) showed strong performance, while Bangladesh (-9%), Nigeria (-5%) and Kenya (-3%) were the worst markets. Argentina's strong performance is explained by the unexpected outcome of the first round of the Argentine presidential election where the market's favorite Macri unexpectedly received almost as much votes as the expected winner, Kirchner-affiliated Scioli. A second round will be held on November 22. Unexpected strong support for Macri in the first round now means that he is the narrow favorite in the second round, something the market now is pricing in. A win for Macri would short term mean increased likelihood that economic policy in Argentina would improve. The single most important event of the month was otherwise China's decision on October 23 to ease monetary policy further. At least for the short term this could mark an end to of the concerns of emerging and frontier markets that began in conjunction with the China allowed the renminbi to depreciate 4% over a few days during the month of August.

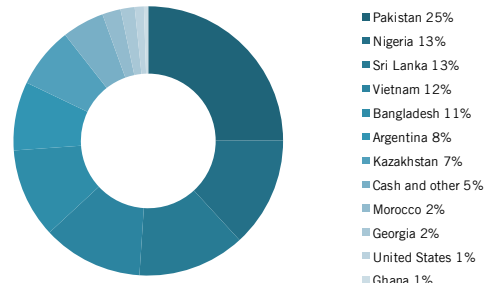
### The fund

The fund rose 5.5% during the month, compared to the market which rose 6.6%. Our underweight in Argentina (7% vs 13% weight in the index) was obviously the single largest negative contribution on country level over the month while absence of Kenyan holdings gave the largest positive contribution. Good stock selection in most markets, in particular Bangladesh, Morocco, Nigeria and Vietnam added relative performance. Outside our Argentine holdings Moroccan brewery SBM excelled with a gain of nearly 20%. Positive earnings from Vinamilk meant that the stock rose nearly 20% during the month. Our favorite bank in Pakistan, Meezan Bank (4% of the fund), however, had a tough month and rebounded 6%. During the month an old time favorite, Murree Brewery, returned to the portfolio. The stock has been outside the portfolio since January 2014. We financed the purchase by selling a small part of our holding in Brac Bank.

### Tundra Frontier Opportunities vs index (year-to-date)



### Tundra Frontier Opportunities: Country allocation



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# Monthly Letter October 2015

## Tundra Nigeria & Sub-Sahara Fund (class A, SEK)

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Nigeria & Sub-Sahara Fund	73.6	-5.3%	-16.0%	-22.6%	-26.4%
Benchmark (S&P Africa Frontier TR Index (SEK))	12191.7	-3.0%	-9.6%	-14.6%	-6.6%

Facts	Risk and costs*				
Inception date	2013-05-20	Active risk (Tracking error)			5.1%
Inception price	100	Standard deviation			20.5%
Pricing	Daily	Standard deviation, benchmark			20.6%
Manager	Tundra Fonder AB	Beta			0.96
Benchmark index	S&P Africa Frontier TR Index(SEK)	Information ratio			-1.23
Bank account	SEB 5851-1101667	Risk level			7 of 7 (refer to KIID for more info)
ISIN	SE0005188091	Management fee/year			2.5%
PPM	878223				
Bloomberg	TUNDNIG SS				
AuM	15,1 MSEK				

\* Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception.

### Best performers in October

Return (SEK)	
18.8%	Forte Oil Plc
7.3%	Barclays Bank
6.3%	Zenith Bank Plc
5.7%	Fnb Namibia Hold
4.8%	7-Up Botting

### Worst performers in October

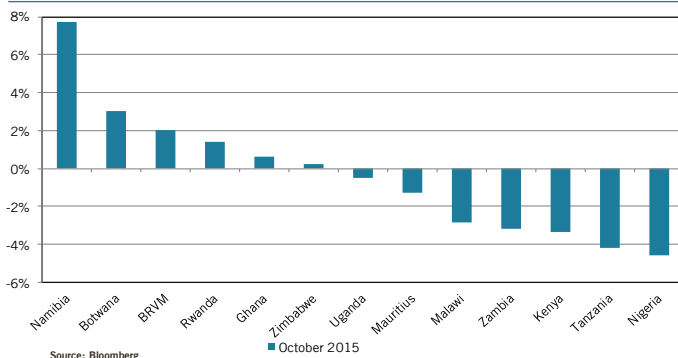
Return (SEK)	
-41.9%	Oando Plc
-21.7%	Diamond Bank
-19.7%	Transnational Co
-16.5%	Fbn Holdings Plc
-15.6%	United Bank Afr

### Five largest holdings

Holding	Portfolio weight	Country	P/E 2014A	P/E 2015E	Yield	Return 1 month (SEK)
Zenith Bank Plc	9.4%	Nigeria	5.8	5.3	10.2%	6.3%
Guaranty Trust	8.4%	Nigeria	7.3	6.7	7.8%	-2.3%
Access Bank Plc	6.8%	Nigeria	2.4	2.6	12.9%	-10.0%
Mtn Group Ltd	4.5%	S. Africa	10.8	11.2	8.2%	-9.7%
United Bank Afr	4.4%	Nigeria	2.4	2.3	9.5%	-15.6%

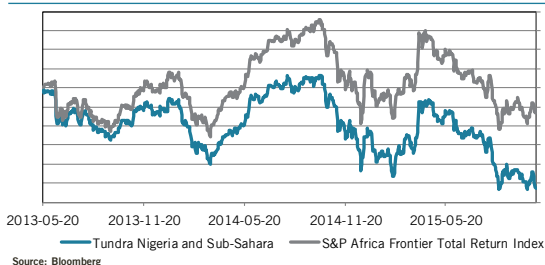
Source: Bloomberg, Tundra Fonder

### African markets (SEK, total return)

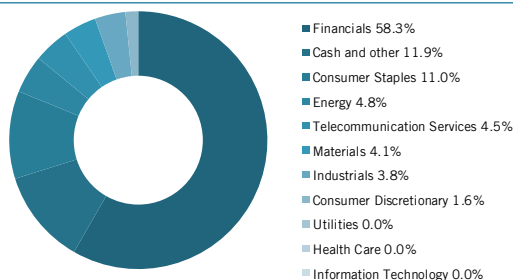


Source: Bloomberg

### Tundra Nigeria & Sub-Sahara Fund vs index (since inception)



### Tundra Nigeria & Sub-Sahara Fund: Sector allocation



### The market

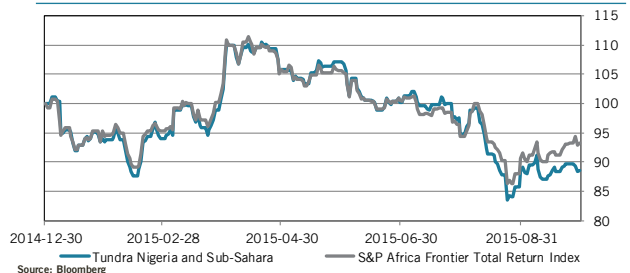
S&P Africa Frontier Total Return Index decreased 3% in October, worse compared to other frontier markets (MSCI Frontier Markets xGCC Net +6.6%). Nigeria was the worst performing market in SSA, -4.6% in October (-9.8% YTD). Kenya retreated 3.4% (-13.8% YTD). The best performing markets were Namibia and Botswana rising 7.7% and 3.0% respectively. (all changes in SEK)

President Buhari's list of ministers was approved by the senate, and the market is now waiting for who will be named Minister of Finance, and later on the 2016 budget (expected later this year). During the last week of October it looked like the new government was trying to fill the budget gaps through fines; the largest mobile operator in the country, South African MTN, was fined USD 5.2bn for not disconnecting unregistered subscribers. Two banks, FBN and UBA, received fines to the amount of USD 9.5m and USD 15m respectively for not transferring government funds to the Centralbank by the September deadline. And Stanbic IBTC's new issue was rejected by the Financial Reporting Council of Nigeria (FRCN) as it did not approve the financial reporting by the company as well as disqualifying management from running the company. Needless to say, all sanctions are contested by the affected companies, and negotiations are ongoing. So far, only Stanbic has had any success in the matter as the Central Bank of Nigeria overturned the decision of FRCN. Kenya was downgraded by S&P to B+ negative outlook from B+ stable due to increased worries on overly dependence on external financing of the double deficits.

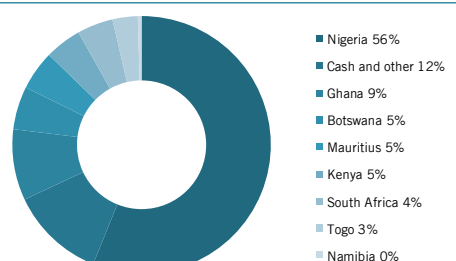
### The fund

The Fund retreated 5.3% in October, worse than the benchmark's -3%. The underperformance is due to yet another month of poor development of the Nigerian banks (i.e. Diamond, UBA and Access -22%, -16% and -10% respectively) although most banks reported better than expected earnings (with the exception of Diamond which disappointed). Last months investment in MTN performed well up until the fine was issued, when the stock fell heavily. As of today the company has lost more than the actual fine in market value and the market seems unwilling to believe in a better outcome. (all changes in SEK)

### Tundra Nigeria & Sub-Sahara Fund vs index (year-to-date)



### Tundra Nigeria & Sub-Sahara Fund: Country allocation



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Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Pakistan Fund	289.1	5.7%	7.4%	22.1%	189.1%
Benchmark (MSCI Pakistan Net (SEK))	6122.0	7.1%	1.4%	10.8%	110.0%

Facts	Risk and costs*
Inception date	2011-10-14
Inception price	100.00
Pricing	Daily
Manager	Tundra Fonder AB
Benchmark index	MSCI Pakistan Net (SEK)
Bank account	SEB 5851-1076190
ISIN	SE0004211308
PPM	705806
Bloomberg	TUNDPK SS
AUM	1232.4 MSEK
	Active risk (Tracking error)
	Standard deviation
	Standard deviation, benchmark
	Beta
	Information ratio
	Risk level 7 of 7 (refer to KIID for more info)
	Management fee/year

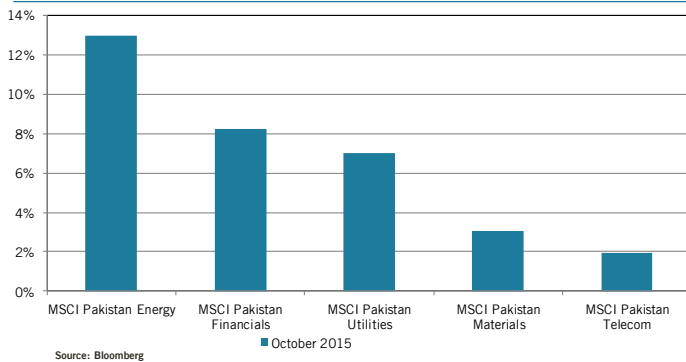
\* Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

Best performers in October	Worst performers in October
Return (SEK)	Return (SEK)
Noon Pakistan	Efu Life Assuran
Crescent Steel	Shezan Intl
Mughal Iron & St	Meezan Bank Ltd
Hascol Petroleum	Hum Network Ltd
Ghani Glass	Natl Foods

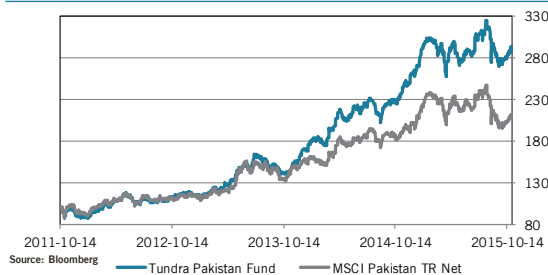
Five largest holdings						Return 1
Holding	Portfolio weight	Country	P/E 2014A	P/E 2015E	Yield	month (SEK)
Pak State Oil	5.0%	Pakistan	3.9	9.9	3.4%	19.2%
Mcb Bank Ltd	3.7%	Pakistan	11.1	10.3	6.3%	7.4%
Pak Elektron	3.6%	Pakistan	-	9.1	4.4%	7.5%
Engro Corp	3.5%	Pakistan	19.3	9.9	3.3%	3.1%
Packages Ltd	3.4%	Pakistan	-	13.3	2.2%	2.2%

Source: Bloomberg, Tundra Fonder

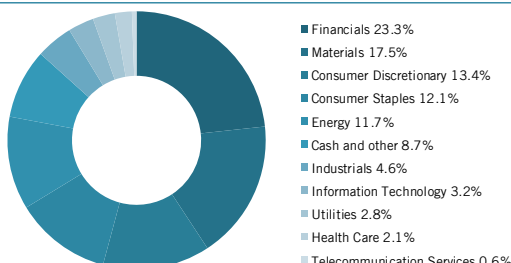
### Pakistan sector indices (SEK, total return)



### Tundra Pakistan Fund vs index (since inception)



### Tundra Pakistan Fund: Sector allocation



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### The market

MSCI Pakistan Net (SEK) rebounded by 7.1% during October, slightly underperforming the MSCI Emerging Markets Net (SEK) which increased by 8.3%. Daily traded value improved by 11% to USD 86m in October from USD 78m in September. Foreigners remained net sellers worth USD 49.2m in October. A generally quiet month on the politics front, PML-N government rejoiced National Assembly speaker Ayaz Sadiq's re-election from his Lahore constituency, which somewhat negates PTI's rigging allegations in 2013 general elections. Macro-economic indicators continue to be supportive, as September inflation clocked in at 1.3% YoY. Moreover, the current account also registered a surplus of USD 306mn for the month. IMF is in the process of conducting another review of the Pakistan Economy, which after successful completion could result in the inflow of another USD 550mn. Currency weakened by 1% vs the USD during the month, which we believe is a part of the Textile package offered by the government to exporters. There is an MPS announcement scheduled for mid of November, where our view is that the interest rates are unlikely to change. This is due to the risk of an uptick in inflation numbers from November 15 due to the phase out of high base effects. MSCI Pakistan continue to trade at attractive forward P/E and P/B multiples of 8.1x and 1.5x.

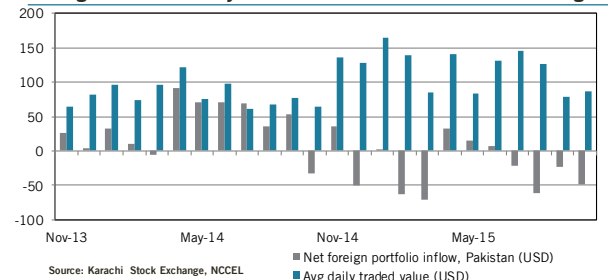
### The fund

The fund rose 5.7% Net (SEK) during the month, underperforming the benchmark index which gained 7.1% Net (SEK). Our underperformance stemmed from a natural underweight in Energy and Financial stocks. Cheaper valuations and rebound in global oil prices increased investor interest in the energy names. Anticipated bottoming out of interest rates helped banking stocks to rebound after getting hit in last few months. In addition our underweight in index-heavy Materials also added to the underperformance. On the positive front, our off benchmark bets in Consumer Staples and Discretionary boded well for the fund. No new stocks were added during the month.

### Tundra Pakistan Fund vs index (year-to-date)



### Foreign flows and daily turnover on the Karachi Stock Exchange



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## Tundra Rysslandsfond (class A, SEK)

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Rysslandsfond	84.6	7.7%	22.9%	-4.4%	-15.4%
Jmf-index (MSCI Russia Net (SEK))	3430.2	7.4%	18.9%	-9.2%	-11.2%

Facts	Risk and costs*
Inception date	2011-10-14
Inception price	100,00
Pricing	Daily
Manager	Tundra Fonder AB
Benchmark index	MSCI Russia Net (SEK)
Bank account	SEB 5851-1076212
ISIN	SE0004211274
PPM	741637
Bloomberg	TUNDRYS SS
AuM	15.4 MSEK
	Active risk (Tracking error)
	Standard deviation
	Standard deviation, benchmark
	Beta
	Information ratio
	Risk level 7 of 7 (refer to KIID for more info)
	Management fee/year

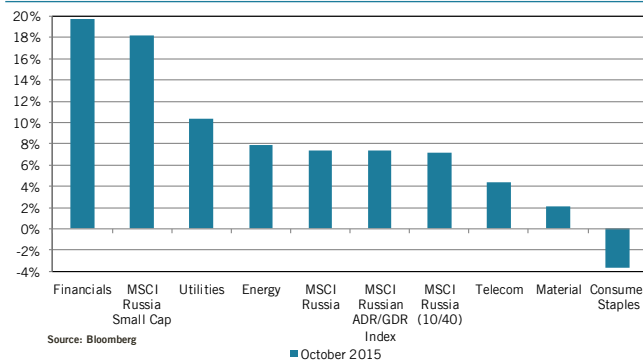
\*Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since it

Best performers in October	Worst performers in October
Return (SEK)	Return (SEK)
Sberbank Pao	Tbc Bank Jsc-Gdr
Eurasia Dril-Gdr	Sistema Jsc
X 5 Retail-Gdr	Phosagro Oao-Cls
Et-Gdr Reg S	United Co Rusal
Moscow Exchange	Magnit Pjsc

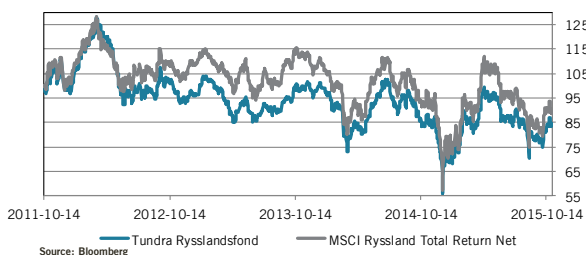
Five largest holdings						Return 1
Holding	Portfolio weight	Country	P/E 2014A	P/E 2015E	Yield	month (SEK)
Sberbank Pao	10.1%	Russia	7.1	10.4	1.4%	25.9%
Gazprom Pao	9.3%	Russia	3.9	2.6	5.0%	5.6%
Surgutneftegas	6.6%	Russia	-	-	1.7%	11.8%
Mmc Norilsk Nick	6.6%	Russia	7.3	7.9	10.7%	4.5%
Surgutnefteg-Prf	4.7%	Russia	-	-	9.7%	15.3%

Source: Bloomberg, Tundra Fonder

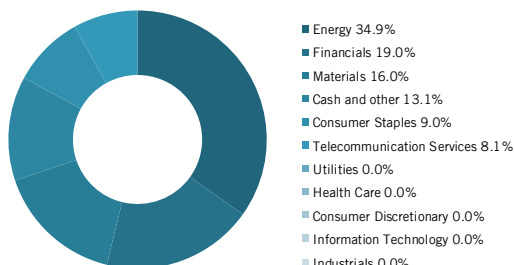
### Russian sectors and indices (SEK, total return)



### Tundra Rysslandsfond vs index (since inception)



### Tundra Rysslandsfond: Sector allocation



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### The market

MSCI Russia Net rose 7.4% (SEK), compared to other emerging markets (MSCI Emerging Markets Net), which rose 8.3%. Best sector during the month was Financials, which rose 19.8%. Worst sector was Consumer staples which fell 3.8%. Small-cap Index rose 18.1% during the month. For three out of four weeks during October, the Russian equity fund flow was positive, primarily in ETFs. The Russian Ruble strengthened 2% against the Dollar. Russian Sovereign bond yield denominated in USD fell just over half a percentage point to 5.2% during the month.

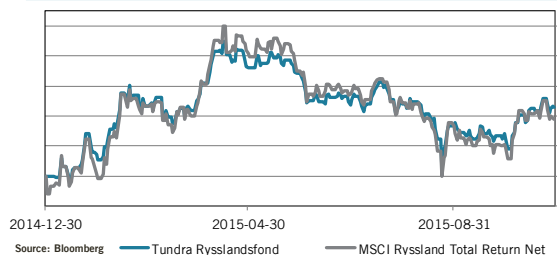
Rising oil prices a few days into the month lifted the Russian stock market by 16% in SEK until 10th October. Alarming crude storage levels in the US made the oil price fall back ending the month at only +3%. The largest bank in Russia, Sberbank, had a capital markets day in October, where they surprised the market with more positive outlook, and guided for lower loan losses than expected in the future. Hence the strong upturn for the whole financial sector. The credit card company and the popular internet bank TCS (Tinkoff) rose 73% during the month.

Russia has increased its involvement in Syria and had in October its first casualties among the combatants conscripted. The situation in Ukraine is, however, the most peaceful in many months.

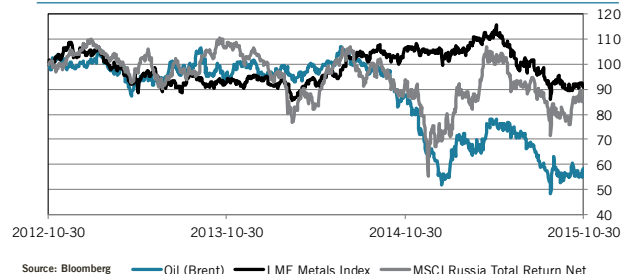
### The fund

Tundra Rysslandsfond rose 7.7% in October, while the market as measured by the MSCI Russia Net rose 7.4% (SEK). Year to date, Tundra Rysslandsfond has risen 22.9% while MSCI Russia Net SEK has risen 18.9%. Stock selection within Consumer Staples contributed to the outperformance of the index. No exposure to the power utilities sector was negative for relative returns. Tundra Rysslandsfond was given four stars by Morningstar during the month and already has A from Citywire.

### Tundra Rysslandsfond vs index (year-to-date)



### MSCI Russia, oil price and LME Metals Index (USD)(rebased)





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## Tundra Sustainable Frontier Fund (class A, SEK)

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Sustainable Frontier Fund	95.3	6.9%	-	-	-4.7%
Benchmark (MSCI FM xGCC Net (SEK))	5169.2	6.6%	-	-	-4.0%

Facts		Risk and costs*	
Inception date	2015-08-03	Active risk (Tracking error)	-
Inception price	100.00	Standard deviation	-
Pricing	Daily	Standard deviation, benchmark	-
Manager	Tundra Fonder AB	Beta	-
Benchmark index	MSCI FM xGCC Net (SEK)	Information ratio	-
Bank account	SEB 5851-1107312	Risk level	7 of 7 (refer to KIID for more info)
ISIN	SE0005797206	Management fee/year	2.5%
PPM	-		
Bloomberg	TUNDUS SS		
AuM	104 MSEK		

\* Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

### Best performers in October

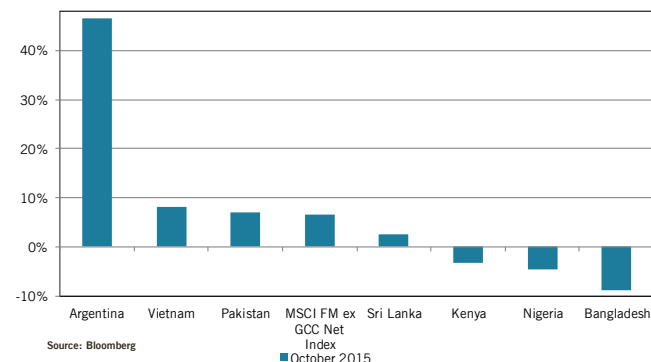
	Return (SEK)		Return (SEK)
Banco Macro Sa-B	54.6%	Diamond Bank	-21.7%
Grupo Galicia-B	46.5%	United Bank Afr	-15.6%
Bbva Banco Franc	45.0%	Access Bank Plc	-10.0%
Ypf Sa-D	36.3%	Tbc Bank Jsc-Gdr	-8.7%
Cresud Sa	30.6%	Meezan Bank Ltd	-6.1%

### Worst performers in October

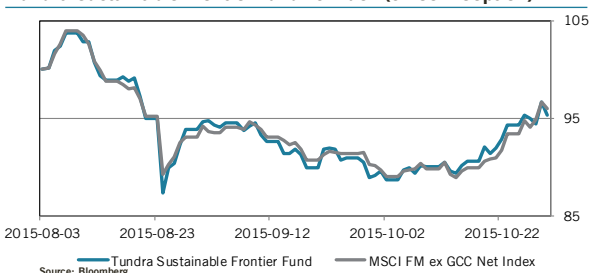
### Five largest holdings

Holding	Portfolio weight	Country	P/E 2014A	P/E 2015E	Yield	Return 1 month (SEK)
Zenith Bank Plc	8.0%	Nigeria	5.8	5.3	10.2%	6.3%
International Brands	4.9%	Pakistan	-	-	-	0.0%
Meezan Bank Ltd	4.5%	Pakistan	10.4	9.2	#####	-6.1%
Fpt Corp	4.4%	Kazakhstan	11.8	10.3	3.8%	13.2%
John Keells Hldg	4.1%	Sri Lanka	16.5	15.1	1.7%	4.6%

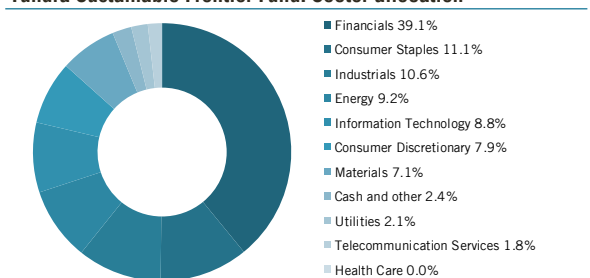
### Major frontier markets (SEK, total return)



### Tundra Sustainable Frontier Fund vs index (since inception)



### Tundra Sustainable Frontier Fund: Sector allocation



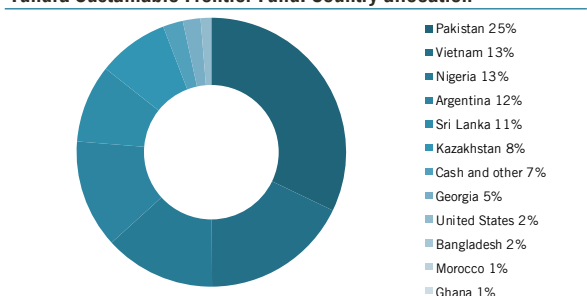
### The market

MSCI Frontier Markets xGCC Net (SEK) rose 6.6% during the month, compared to MSCI EM Net (SEK), which rose 8.3%. This constitute the first month with rising local share prices since April 2015. Argentina (which constitutes 13% of the index) rose 47%, which explains a large part of the rise. Among other markets Kazakhstan (+10%), Vietnam (+8%) and Pakistan (+7%) showed strong performance, while Bangladesh (-9%), Nigeria (-5%) and Kenya (-3%) were the worst markets. Argentina's strong performance is explained by the unexpected outcome of the first round of the Argentine presidential election where the market's favorite Macri unexpectedly received almost as much votes as the expected winner, Kirchner-affiliated Scioli. A second round will be held on 22 November. Unexpected strong support for Macri in the first round now means that he is the narrow favorite in the second round something the market now is pricing in. A win for Macri would short term mean increased likelihood that economic policy in Argentina (primarily foreign exchange controls) would improve, which would be positive for the stock market in once one of the world's richest countries. The single most important event of the month was otherwise China's decision on October 23 to ease monetary policy further. At least for the short term this could mark an end to of the concerns of emerging and frontier markets that began in conjunction with the China allowed the renminbi to depreciate 4% over a few days during the month of August.

### The fund

The fund rose 6.9%, compared to the market which rose 6.6%. Our country underweight in Argentina (11% vs 13%) gave a negative contribution over the month, which was partially offset by our underweight in Kenya. Good stock picking in Nigeria and Vietnam also contributed positively. Positive earnings from Vietnamese Vinamilk (3% of the fund) meant that the stock rose nearly 20% during the month. We also received good contributions from Vietnamese cement sector where Hatien 1 Cement and Bim Son Cement both rose almost 20%. Our favorite bank in Pakistan, Meezan Bank (5% of the fund), however, had a tough month and fell 6%. As a result it was the single largest negative contribution on stock level. Another negative contribution came from the Nigerian bank UBA (4% of the fund) which fell 16% in a weak market. No major changes were made in the fund during the month.

### Tundra Sustainable Frontier Fund: Country allocation



Capital invested in a fund may either increase or decrease in value and it is not certain that you will be able to recover all of your investment. Historical return is no guarantee of future return. The value of invested capital may vary substantially due to the composition of the fund and the investment process used by the fund manager. The Full Prospectus, KIID etc. are available on our homepage. You can also contact us to receive the documents free of charge. Please contact us if you require any further information: +46 8-55 11 45 70.



Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Vietnam Fund	136.9	9.0%	16.4%	9.2%	36.9%
Jmf-index (FTSE Vietnam Index Net (SEK))	2269.3	8.1%	3.6%	-2.4%	23.7%

Facts	Risk and costs*
Inception date	2014-05-06
Inception price	100,00
Pricing	Dagligen
Manager	Tundra Fonder AB
Benchmark index	FTSE Vietnam Index TR (SEK)
Bank account	SEB 5851-1103805
ISIN	SE0005797099
PPM	762823
Bloomberg	TUNDVIE SS
AuM	212.6 MSEK

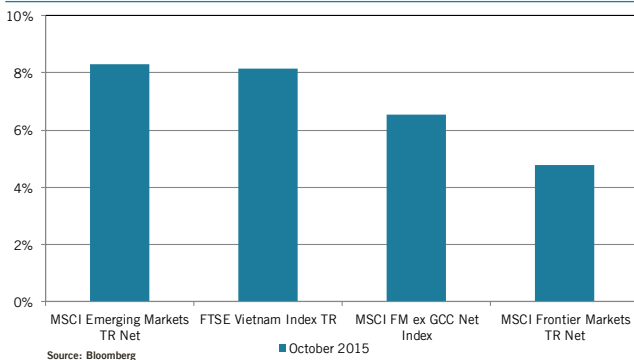
\* Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

Best performers in October	Worst performers in October
Return (SEK)	Return (SEK)
Gemadep Corp	Hung Vuong Corp
Sao Ta Foods Jsc	Kido Group Corp
Intl Gas Pdt Shp	Hagl Jsc
Viet Nam Dairy P	Military Commc
Bim Son Cement J	Thanh Cong Texti

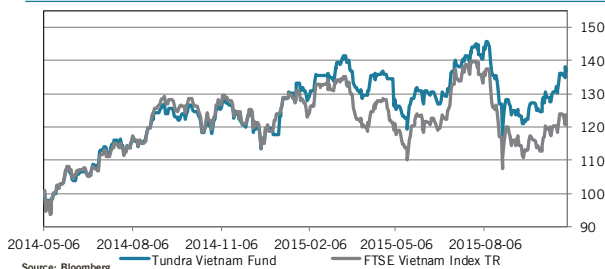
Five largest holdings						Return 1
Holding	Portfolio weight	Country	P/E 2014A	P/E 2015E	Yield	month (SEK)
Vingroup Jsc	7.5%	Vietnam	18.4	22.5	-	11.5%
Hoa Phat Grp Jsc	6.3%	Vietnam	7.0	7.1	4.8%	5.9%
Fpt Corp	5.4%	Vietnam	11.8	10.3	3.8%	13.2%
Masan Group Corp	5.0%	Vietnam	52.4	29.6	-	2.2%
Hatien 1 Cement	4.1%	Vietnam	50.0	13.5	-	19.8%

Source: Bloomberg, Tundra Fonder

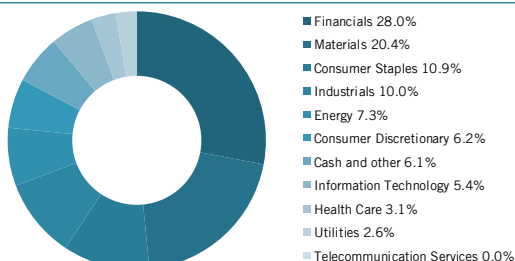
### Various frontier market indices (SEK, total return)



### Tundra Vietnam Fund vs index (since inception)



### Tundra Vietnam Fund: Sector allocation



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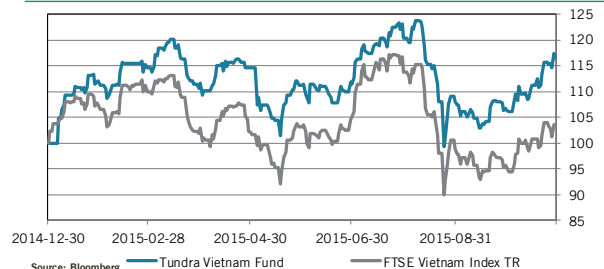
### The market

FTSE Vietnam Net (SEK) gained 8.1% in October compared to MSCI Emerging Market Net (SEK) return of 8.3%. Foreigners turned net buyers to the amount of USD 50m, primarily driven by Exchange Traded Funds, while daily traded value also surged to the tune of USD 115m. Due to the rebound in global oil price mid-October, the Energy sector witnessed a decent rebound during the month. Credit growth stood at 12.5% during the first 10 months and are now well poised to cross 16-17% for 2015, resulting in broad based rally in the banking stocks. Foreign direct investment (FDI) flows to Vietnam during the first 10 months jumped in Q3 and now YTD registered FDI has hit USD 19.3bn, up 41% Y/Y, mainly due to TPP being approved by the member countries. October's Inflation (CPI) remained flat Y/Y, marking another low during the year which we feel is good for the consumption based economy. One cause of concern however remains the increasing trade deficit, which now stands at USD 4.1bn YTD. Exports only grew by 8.1% YTD compared to 14.4% growth in imports, as weak commodity prices are taking its toll on exports while imports mainly comprise of electronics and machinery equipment.

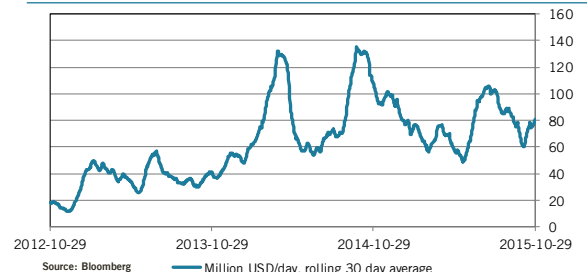
### The fund

The fund Net (SEK) gained 9% during the month, slightly outperforming the benchmark which gained 8.1%. Apart from Financials, Our off-benchmark stock picking in Cements (HT1 and BCC), Steel (HSG), Consumer (VNM) and Information Technology (FPT), Utilities (NT2) performed positively for the fund. On the negative side, our underweight in the index-heavy Financial sector did not work well. Financials performed well due to better than expected credit growth and foreign buying. 2015 has so far been a good year in terms of relative performance. The fund has risen 16%, compared to the benchmark which has risen 4% (SEK). No major changes were made in the fund during the month.

### Tundra Vietnam Fund vs index (year-to-date)



### Daily turnover on the Ho Chi Minh Stock Exchange



	Return SEK (%)			
	October	3 months	Year to date	12 months
<b>Emerging Markets</b>				
MSCI Emerging Markets TR Net	8,3	-5,8	-0,5	-1,8
Brazil	6,3	-20,7	-29,9	-37,9
Chile	6,9	-3,9	-3,7	-3,7
Colombia	9,2	-8,4	-23,5	-36,1
The Philippines	3,6	-7,1	5,3	11,6
India	2,7	-7,2	6,7	5,6
Indonesia	17,1	-8,3	-14,9	-11,1
China (A shares)	12,2	-9,3	10,1	56,6
China (H shares)	10,3	-5,8	7,0	14,1
Malaysia	6,8	-13,6	-14,4	-19,6
Egypt	-2,0	-12,7	-13,1	-9,3
Mexico	8,3	-3,5	2,2	-6,1
Peru	6,8	-9,8	-14,2	-10,0
Poland	0,0	-9,2	-7,7	-13,0
Russia	7,4	-4,5	18,9	-9,2
South Africa	8,4	-7,7	-2,2	-0,9
South Korea	12,5	6,4	8,1	7,7
Taiwan	6,7	-5,7	1,7	4,9
Thailand	6,5	-6,3	-5,8	-7,2
Czech Republic	-2,8	-13,3	-3,3	-4,1
Turkey	13,5	-4,5	-15,0	-11,0
Hungary	4,0	-5,5	37,0	29,7
United Arab Emirates	-3,5	-16,2	-0,5	-9,6
Qatar	1,2	-3,0	-1,9	-4,9
Latin America	7,3	-12,6	-17,3	-25,1
Asia	9,1	-4,7	4,1	6,6
EMEA	6,6	-7,5	-0,6	-6,7
<b>Frontier Markets</b>				
MSCI Frontier Markets 100 TR Net	4,8	-4,8	-1,5	-5,5
MSCI Frontier Markets xGCC Net	6,6	-3,2	-0,9	-3,8
Argentina	46,5	17,8	26,0	17,5
Bangladesh	-8,8	-15,4	-5,9	-8,9
Bosnia and Herzegovina	-0,8	-2,6	-4,1	-0,2
Bulgaria	-0,6	-6,1	-29,4	-30,5
Ecuador	1,5	-7,4	2,2	9,1
Morocco	0,2	-6,8	-3,6	-7,9
Estonia	1,3	1,4	17,4	19,6
Tunisia	-7,2	-10,8	-2,7	0,8
Ghana	0,6	-9,2	-16,8	-12,1
Kazakhstan	9,9	-22,8	-36,9	-45,3
Kenya	-3,4	-4,5	-13,8	-3,7
Croatia	6,7	-3,7	6,2	3,8
Kuwait	0,1	-8,7	-6,1	-12,0
Latvia	4,1	34,8	45,5	44,2
Lithuania	-2,0	-4,1	4,5	7,1
Mauritius	-1,3	-9,6	-5,2	-4,5
Mongolia	2,0	-5,1	-7,7	-8,7
Nigeria	-4,6	1,2	-9,8	-18,6
Pakistan	7,1	-11,6	1,4	10,8
Jordan	-1,4	-3,0	4,8	6,7
Romania	4,7	-4,9	18,2	19,2
Serbia	-0,9	-5,3	-11,6	-22,9
Slovakia	6,7	17,1	29,7	35,4
Slovenia	6,8	-3,4	3,9	1,1
Sri Lanka	2,5	-14,7	-12,4	-9,6
Ukraine	-20,2	-30,6	-30,0	-46,5
Vietnam	8,1	-9,0	3,6	-2,4
<b>Developed Markets</b>				
MSCI World TR Net	9,1	-3,3	10,5	16,9
Hong Kong	9,8	-7,7	12,0	13,0
Nasdaq	10,6	-1,8	16,0	25,4
Nikkei 225	11,3	-3,7	20,5	25,3
OMX Stockholm 30	6,0	-6,2	5,6	9,6
S&P 500	9,5	-1,5	9,7	18,4
Singapore	10,7	-7,8	-5,6	0,0
STOXX Europe 600	8,3	-5,4	11,3	14,6
<b>Sectors (Emerging Markets)</b>				
Financials	8,7	-8,4	-4,5	-2,0
Industrials	6,6	-5,8	0,0	0,2
Consumer Staples	5,3	-6,0	6,0	2,5
Energy	10,7	-10,0	-1,7	-17,2
IT	11,1	0,5	5,8	8,9
Utilities	5,8	-9,9	-7,8	-10,3
Healthcare	8,1	-1,5	9,3	9,1
Materials	7,2	-6,2	-7,2	-11,8
Consumer Discretionary	9,5	-0,5	3,3	3,6
Telecom	3,6	-11,2	-3,7	-7,8

	Return in USD (%)			
	October	3 months	Year to date	12 months
<b>Soft commodities</b>				
Coffee	-0,3	-3,4	-26,6	-35,7
Cocoa	4,7	1,6	9,7	12,4
Corn	-1,4	0,3	-11,3	-8,7
Palm oil	-0,9	-6,1	-20,8	-24,9
Rice	-12,0	0,8	-0,3	-3,3
Soya	-0,9	-6,3	-13,3	-14,3
Wheat	1,8	3,4	-16,5	-10,5
<b>Energy</b>				
Coal (cooking coal, China)	1,1	-5,2	-16,4	-17,1
Coal (steam coal, South Africa)	4,2	-9,3	-19,2	-21,4
Natural Gas (Henry Hub)	-8,0	-14,5	-25,0	-40,1
Oil (Arabian Light)	2,9	-14,1	-16,3	-45,2
Oil (Brent)	2,5	-5,1	-14,4	-42,3
Oil (WTI)	3,3	-1,1	-13,9	-42,2
<b>Fertilizers</b>				
Ammonia	0,0	-5,4	-30,4	-32,0
Phosphorus	0,0	2,3	7,1	7,1
Potash	-4,4	-10,2	-21,7	-22,6
Sulfur	-19,7	-19,7	-14,7	-14,7
Urea	-0,6	-10,5	-26,6	-19,3
<b>Metals</b>				
Aluminum	-6,2	-8,6	-20,4	-27,5
Gold	2,4	4,2	-5,1	-2,6
Copper	-0,9	-2,3	-19,2	-23,6
Nickel	-3,3	-8,9	-33,3	-36,2
Palladium	3,8	10,6	-15,8	-14,6
Platinum	8,2	0,2	-18,8	-20,3
Silver	7,1	5,2	-4,6	-3,8
Steel	-3,8	-10,1	-37,4	-38,2
Zinc	1,3	-10,8	-21,8	-25,9

	SEK per 1 local currency				October	Change (%)		
	2015-10-30	2015-07-31	2014-12-30	2014-10-31		3 months	Year to date	12 months
Argentina (Peso)	0,8939	0,9285	0,9063	0,8706	0,1	-3,7	-1,4	2,7
Bangladesh (Taka)	0,1093	0,1097	0,0995	0,0956	10	-0,4	9,8	14,2
Bosnia Hercegovina (Mark)	4,7801	4,7899	4,8241	4,7421	-0,4	-0,2	-0,9	0,8
Brazil (Real)	2,2050	2,4931	2,9161	2,9869	3,5	-11,6	-24,4	-26,2
Bulgaria (Lev)	4,7841	4,7899	4,8175	4,7391	-0,5	-0,1	-0,7	1,0
Chile (Peso) X100	0,0123	0,0127	0,0128	0,0128	1,8	-3,1	-3,8	-4,0
Colombia (Peso) x100	0,0029	0,0030	0,0033	0,0036	7,8	-0,9	-9,9	-18,4
Egypt (Pound)	10594	10907	10827	10358	-15	-2,9	-2,2	2,3
Euro	9,3958	9,4744	9,4165	9,2602	0,2	-0,8	-0,2	1,5
Philippines (Peso)	0,1815	0,1865	0,1732	0,1649	0,8	-2,7	4,8	10,0
United Arab Emirates (Dirham)	2,3447	2,3224	2,1100	2,0150	1,1	-0,3	9,7	14,9
Hong Kong (Dollar)	10969	11002	0,9990	0,9544	1,1	-0,3	9,8	14,9
India (Rupee)	0,1303	0,1330	0,1223	0,1206	1,6	-2,1	6,5	8,0
Indonesia (Rupiah) X100	0,0006	0,0006	0,0006	0,0006	8,2	-1,4	-0,3	1,5
Japan (Yen) X100	0,0705	0,0688	0,0649	0,0659	0,3	2,4	8,6	7,0
Kazakhstan (Tenge)	0,0304	0,0454	0,0424	0,0409	-1,8	-33,2	-28,4	-25,8
Kenya (Shilling)	0,0833	0,0833	0,0855	0,0828	3,8	0,0	-2,6	0,6
China (Renminbi)	13,458	13,736	12,494	12,107	1,7	-2,0	7,7	11,2
Croatia (Kuna)	12334	12346	12297	12096	0,3	-0,1	0,3	2,0
Kuwait (Dinar)	28,0563	28,1465	26,4574	25,5119	0,8	-0,3	6,0	10,0
Latvia (Lati)	13,3154	13,3320	13,4058	13,1855	-0,5	-0,1	-0,7	1,0
Malaysia (Ringgit)	19766	2,2265	2,2158	2,2499	3,3	-11,2	-10,8	-12,1
Morocco (Dirham)	0,8642	0,8691	0,8573	0,8388	0,0	-0,6	0,8	3,0
Mexico (Peso)	0,5152	0,5295	0,5258	0,5490	3,6	-2,7	-2,0	-6,2
Mongolia (Togrog)	0,0043	0,0043	0,0041	0,0040	1,3	-0,8	3,6	7,4
Nigeria (Naira)	0,0427	0,0429	0,0422	0,0447	1,1	-0,4	1,1	-4,4
Pakistan (Rupee)	0,0806	0,0838	0,0769	0,0720	0,1	-3,8	4,8	12,0
Peru (new Sol)	2,5865	2,6731	2,5889	2,5333	-0,6	-3,2	-0,1	2,1
Poland (Zloty)	2,2016	2,2619	2,1997	2,1824	-0,6	-2,7	0,1	0,4
Qatar (Rial)	2,3357	2,3426	2,1281	2,0325	1,1	-0,3	9,8	14,9
Romania (Lei)	2,1095	2,1259	2,0999	2,1008	-0,9	-0,8	0,5	0,4
Russia (Rubel)	0,1329	0,1382	0,1376	0,1721	3,6	-3,8	-3,4	-22,7
Serbia (Dinar)	0,0777	0,0780	0,0781	0,0780	-1,1	-0,4	-0,5	-0,4
Singapore (Dollar)	6,0676	6,2161	5,8640	5,7573	2,7	-2,4	3,5	5,4
Sri Lanka (Rupee)	0,0603	0,0638	0,0590	0,0566	1,2	-5,5	2,0	6,5
Sydafrika (rand)	0,6151	0,6727	0,6697	0,6704	1,4	-8,6	-8,2	-8,3
South Korea (Won)	0,0075	0,0073	0,0071	0,0069	5,1	2,3	5,7	7,7
Taiwan (Dollar)	0,2608	0,2693	0,2442	0,2430	2,3	-3,1	6,8	7,3
Thailand (Bhat)	0,2387	0,2437	0,2356	0,2270	3,2	-2,1	1,3	5,1
Czech (Koruny)	0,3454	0,3460	0,3398	0,3334	-0,1	-0,2	1,6	3,6
Turkey (Lira)	2,9166	3,0785	3,3270	3,3294	5,0	-5,3	-12,3	-12,4
Ukraine (Hryvnia)	0,3705	0,4019	0,4899	0,5693	-6,6	-7,8	-24,4	-34,9
Hungary (Forint)	0,0301	0,0305	0,0299	0,0301	0,5	-1,2	0,7	0,2
USD	8,5019	8,5298	7,7499	7,4010	1,1	-0,3	9,7	14,9
Vietnam (Dong) X1000	0,0004	0,0004	0,0004	0,0003	1,7	-2,6	5,1	9,4

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