

MONTHLY LETTER AUGUST 2016



TUNDRA  FONDER

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August was an uneventful month for global equity markets with overall limited moves in either direction. Frontier markets were no exception and fell by 1.0% (MSCI Frontier Markets xGCC Net, SEK). Year to date, frontier markets have returned 3.9%.

Sub-Sahara continued to contribute negatively. The region's negative development spread from Nigeria to Kenya, which fell by 7.0%. This occurred on the back of President Kenyatta signing a bill capping the banks' lending rates. The bill is an attempt to increase availability of credit to the retail and SME segments and limit excess profits in the banking sector. The approval of the bill came as a surprise to the market which responded by aggressively selling Kenyan equities. The bill will not only limit bank profits but can also be expected to result in the opposite of what it was intended to create – as the new regulation caps lending rates equally across all customer segments (the central bank rate + 4%-points) independent of credit risk and duration, banks will focus on the most secure loans, i.e. not retail nor SME. It can also be expected to increase the activity in the unofficial credit market resulting in deteriorating transparency. In addition to Kenya, index heavyweight Argentina (-2.2) also contributed to the weaker performance on frontier markets in August.

For the first time since May, Nigeria rose during the past month although the move was limited (+1.0%). NGN continued to be very volatile. The Central Bank announced that nine banks were prohibited from trading NGN as they did not comply with transferring USD 2.3bn of state assets to the Central Bank. The decision was later recalled but shows an element of fickleness.

That Nigeria is experiencing a challenging patch at the moment goes without saying and was confirmed by Q2 GDP growth data, -2.1%. The growth trajectory is hence deteriorating as growth during Q1 was -0.4%.

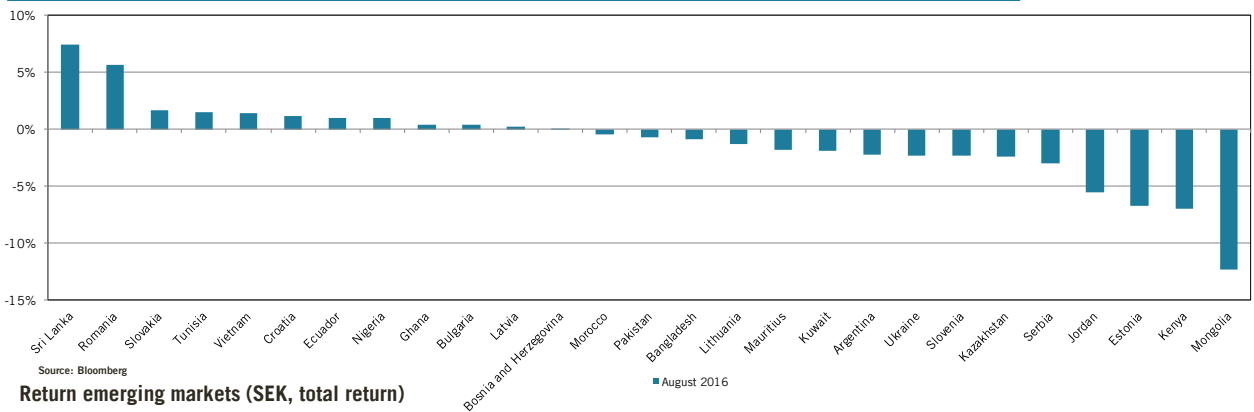
Among other countries contributing positively to the return of frontier markets was Sri Lanka, where the index heavy stocks attracted foreign interest. Better than expected corporate results and continued optimism post the IMF deal as well as a successful Eurobond issuance contributed to the strong sentiment.

The return in most other Asian frontier markets was limited. Vietnam rose 1.4% while Pakistan fell 0.7%. In Vietnam, it is worthwhile noticing the removal of Vinamilk's FOL (Foreign Ownership Limits, please refer to July's Monthly Letter) which resulted in MSCI assigning a substantial index weight to the company, indirectly resulting in Vietnam's weight doubling in the global frontier index (approximately 11% in MSCI Frontier Markets xGCC post reweighting).

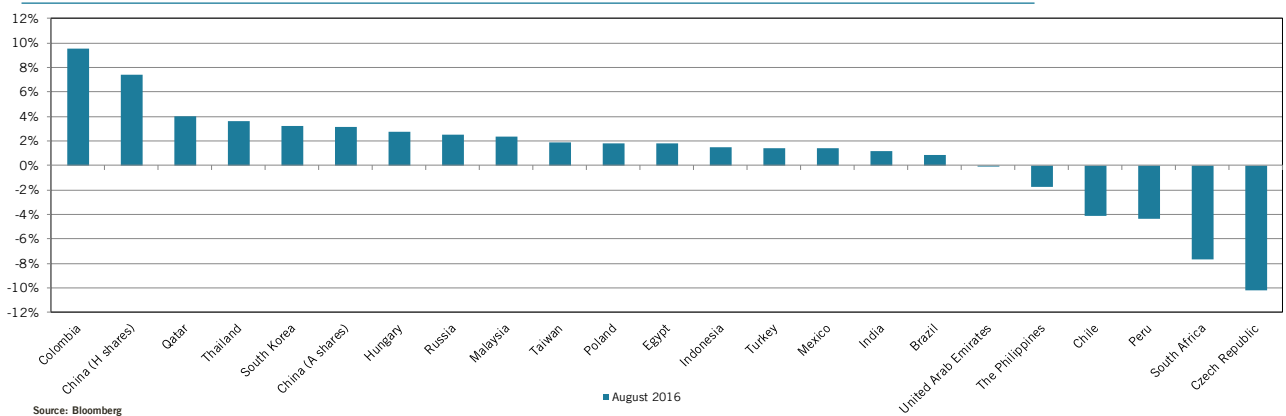
In Pakistan, foreigners were net sellers during August. Corporate results met expectations while the political sentiment deteriorated as the opposition initiated rallies in order to increase pressure at the Government to clarify the sources of the Prime Minister's overseas family assets. It is premature to forecast the extent and effects of the rallies but they constitute a source of worries among investors for the time being.

Frontier funds globally suffered redemptions in July (the latest available data) and since the net inflow in March, redemptions have occurred in four consecutive months.

Return frontier markets (SEK, total return)



Return emerging markets (SEK, total return)



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Tundra Frontier Opportunities Fund (class A, SEK)

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Frontier Opportunities	155.3	4.1%	7.5%	2.9%	55.3%
Benchmark (MSCI FM xGCC Net (SEK))	5031.9	-1.0%	3.9%	-0.8%	24.9%

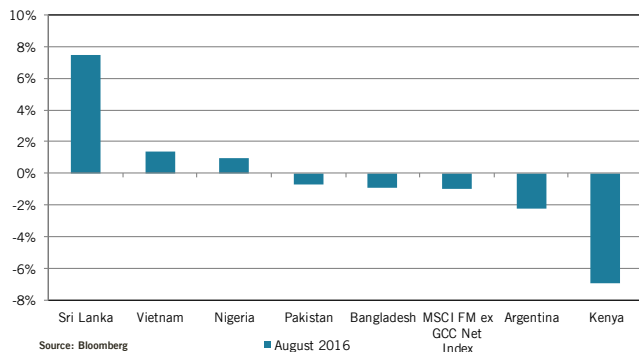
Facts		Risk and costs*	
Inception date	2013-04-02	Active risk (Tracking error)	8.7%
Inception price	100.00	Standard deviation	11.7%
Pricing	Daily	Standard deviation, benchmark	11.9%
Manager	Tundra Fonder AB	Beta	0.72
Benchmark index	MSCI FM xGCC Net (SEK)	Information ratio	0.69
Bank account	SEB 5851-1078355	Risk level	7 of 7 (refer to KIID for more info)
ISIN	SE0004211282	Management fee/year	2.5%
PPM	861229		
Bloomberg	TUNDFRO SS		
AuM	369.8 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

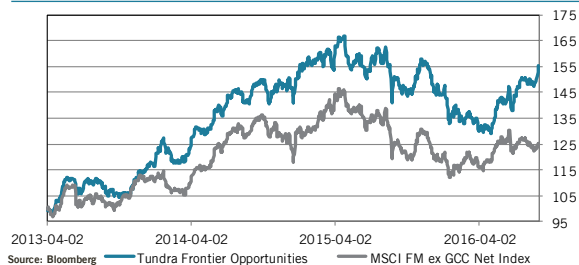
Best performers in August		Worst performers in August	
	Return (SEK)		Return (SEK)
Murree Brewery	66.0%	Diamond Bank	-32.9%
Tokyo Cement Co	30.1%	Zenith Bank Plc	-15.6%
Halyk Savings Bk	22.8%	Ferozsons Labs	-14.6%
Viet Nam Dairy	21.1%	Letshego Holding	-11.7%
Access Eng.	16.2%	United Bank Afr	-9.9%

Five largest holdings					Return 1	
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	month (SEK)	
Brac Bank Ltd	5.0%	Banglad.	18.2	14.7	2.4%	-1.9%
International Brands	5.0%	Pakistan	-	-	-	1.5%
Meezan Bank Ltd	4.3%	Pakistan	10.4	11.8	5.5%	12.9%
Fpt Corp	4.1%	Vietnam	11.0	10.4	4.3%	9.5%
Active Fine Chem	3.9%	Banglad.	-	-	-	2.4%

Major frontier markets (SEK, total return)



Tundra Frontier Opportunities vs index (since inception)



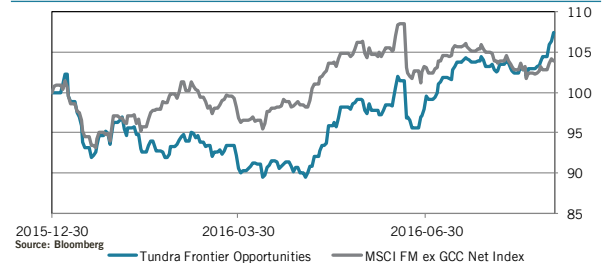
The market

MSCI Frontier Markets xGCC Net (SEK) fell 1.0% in August, compared with the MSCI Frontier Markets Net which fell 1.1% and the MSCI Emerging Markets Net which rose 2.5%. Among the losers were Kenya (-7%) after having introduced a cap on interest rates (maximum lending rate). Kenyan banks fell nearly 25% during the month and the seemingly politically motivated campaign created a general concern in the market. Winners were Sri Lanka where strong reports and continued positive sentiment after the IMF agreement and the successful Eurobond sales brought in more buyers. An important event during the month was leading index provider MSCI's decision to include Vietnamese Vinamilk in their Frontier indices. Vinamilk is now the second largest company in the MSCI Frontier Markets Index and the largest company in the MSCI Frontier Markets xGCC with weights of 4.7% and 5.7% respectively. It also means that Vietnam's share in the Frontier Index has more than doubled to 8.7% and 11% respectively. An important event towards the end of September will be MSCI's decision on the possible exclusion of Nigeria from Frontier indices after continuing problems for foreign investors to trade the country's currency. Our main scenario is that Nigeria will remain included. However, it needs very soon to launch a functional currency trading in order not to be relegated, and it can not be excluded that it happens already now.

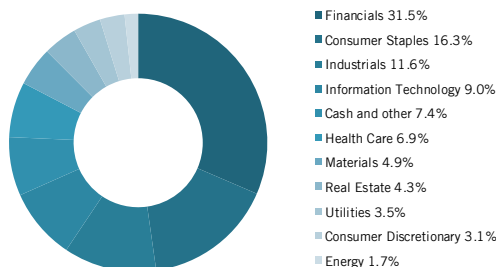
The fund

The fund rose 4.1% in a weak market environment. Some contribution came from the fund's lack of exposure to Kenya. In addition the fund's overweight in Sri Lanka added to relative performance. More than 4/5 of the fund's relative performance during the month came, however, from our stock picking where a number of top picks did well. Pakistani Murree Brewery rose 66% during the month after speculation on an upcoming bidding war, Vietnamese Vinamilk rose 21% after the removal of foreign ownership limits, Pakistani Meezan Bank rose 13% in a declining market and Sri Lankan Tokyo Cement rose 30% after a very strong quarterly report. It was far from a perfect month however. The fund lost relative performance in Pakistani pharmaceutical company Feroz which fell 15% after a weak quarterly report, Nigerian Zenith Bank fell 16% in a continued dull market and the absence of Kenyan Safaricom also cost some relative performance. No major changes were made in the fund during the month.

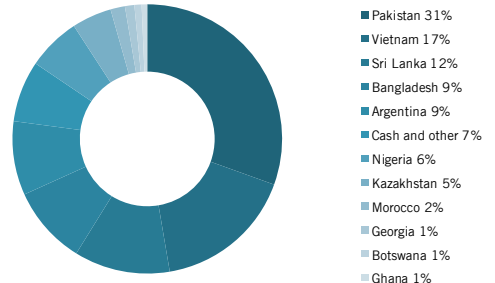
Tundra Frontier Opportunities vs index (year-to-date)



Tundra Frontier Opportunities: Sector allocation



Tundra Frontier Opportunities: Country allocation



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

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Nigeria & Sub-Sahara Fund	51.4	-4.1%	-23.2%	-33.5%	-48.6%
Benchmark (S&P Africa Frontier TR Index (SEK))	9431.2	-2.7%	-17.2%	-22.9%	-27.8%

Facts		Risk and costs*		
Inception date	2013-05-20	Active risk (Tracking error)		6.1%
Inception price	100	Standard deviation		19.4%
Pricing	Daily	Standard deviation, benchmark		17.0%
Manager	Tundra Fonder AB	Beta		1.09
Benchmark index	S&P Africa Frontier TR Index(SEK)	Information ratio		-1.07
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	20.6 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 August

	Return (SEK)
Zambeef Products	43.6%
Ghana Commercial	24.5%
Stanbic Ibtc Hol	11.2%
Umeme Ltd	9.2%
Flour Mills Nig	5.7%

Worst performers in August

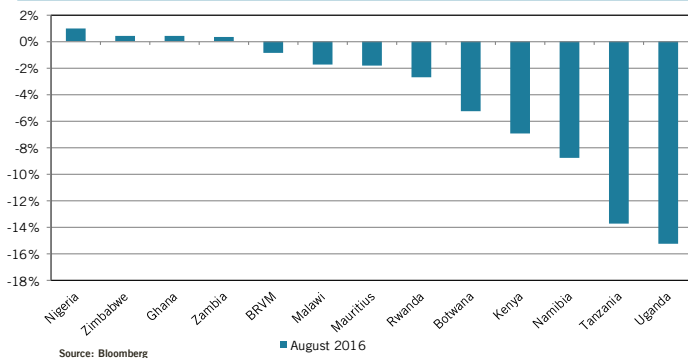
	Return (SEK)
Diamond Bank	-32.9%
Equity Group Hol	-27.6%
Co-Operative Ban	-24.1%
Mtn Group Ltd	-17.5%
Zenith Bank Plc	-15.6%

Five largest holdings

Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Guaranty Trust	8.2%	Nigeria	7.9	7.1	6.6%	12.0%
United Bank Afr	7.5%	Nigeria	2.7	2.9	11.3%	-2.8%
Zenith Bank Plc	7.2%	Nigeria	4.5	4.5	11.3%	-9.0%
Global X Msci Ni	6.3%	Nigeria	-	-	-	0.3%
Seplat Petrol	5.6%	Nigeria	4.5	-	4.3%	3.5%

Source: Bloomberg, Tundra Fonder

African markets (SEK, total return)



The market

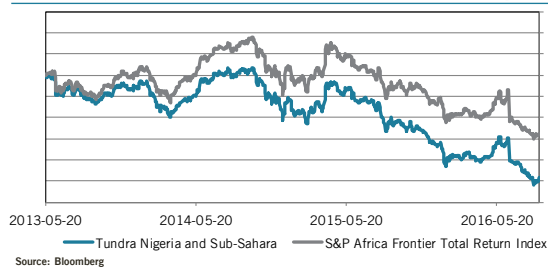
S&P Africa Frontier Total Return Index fell 2.7% in August. Africa again underperformed other frontier markets (MSCI Frontier Markets xGCC Net -1.0%). Nigeria rose 1.0% (-31.1% YTD) while Kenya declined 7.0% (+1.2% YTD). Best performer in SSA was Nigeria, while Uganda was the worst performer falling 15.3%. (All changes in SEK)

President Kenyatta in Kenya surprised the market when he approved a bill capping the interest rate banks can charge customers on their loans. Details are still unknown (will it apply to existing loans as well?), but the market reaction was very negative since profitability for the banks will likely more than half. The law will lead to more restrictive lending from the banks and an increase in black market loans. It could also hurt the growth prospects of the Kenyan economy. The Nigerian currency market is struggling to find an equilibrium without any major progress in August. Daily swings of +/-10% were not uncommon. Q2 GDP declined 2.1% (vs -1.6% expected). Given the -0.4% Q1, Nigeria is now officially in recession. Inflation is still rising, partly as an effect of the devaluation, rising 17.1% in July after +16.5% in June. Renewed talks between the government and the Niger Delta Avengers have increased hopes of a normalization in oil production, a very welcome addition to the state coffers.

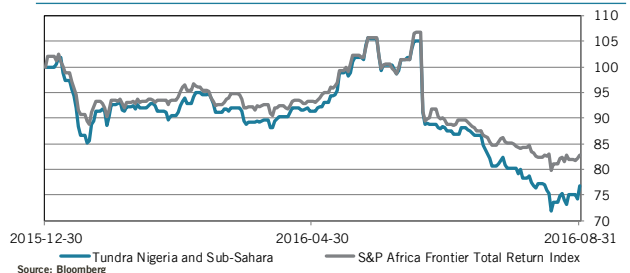
The fund

The fund fell 4.1% in August, compared to its benchmark's -2.7%. Our overweight in Nigeria contributed most to the underperformance on a country level. On a sector level we gained on our underweight in Consumer stocks, while Financials and owning the wrong stocks within Telecom gave the largest negative contribution. No major changes in the portfolio were made in August. (All changes in SEK)

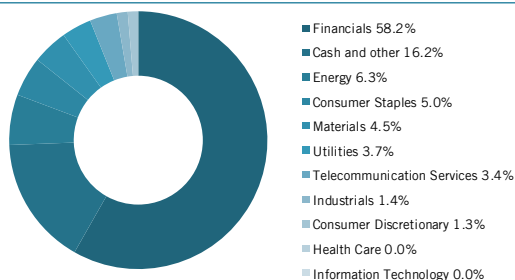
Tundra Nigeria & Sub-Sahara Fund vs index (since inception)



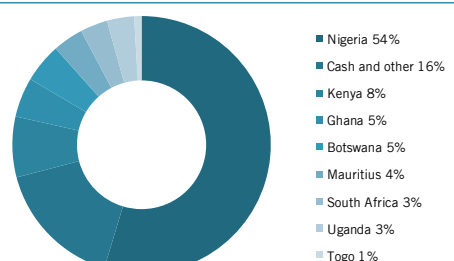
Tundra Nigeria & Sub-Sahara Fund vs index (year-to-date)



Tundra Nigeria & Sub-Sahara Fund: Sector allocation



Tundra Nigeria & Sub-Sahara Fund: Country allocation



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Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Pakistan Fund	320.9	2.9%	16.0%	8.1%	220.9%
Benchmark (MSCI Pakistan Net (SEK))	6883.3	-0.7%	20.9%	9.0%	136.1%

Facts	Risk and costs*			
Inception date	2011-10-14	Active risk (Tracking error)		8.2%
Inception price	100.00	Standard deviation		17.8%
Pricing	Daily	Standard deviation, benchmark		20.6%
Manager	Tundra Fonder AB	Beta		0.79
Benchmark index	MSCI Pakistan Net (SEK)	Information ratio		1.18
Bank account	SEB 5851-1076190	Risk level	7 of 7 (refer to KIID for more info)	
ISIN	SE0004211308	Management fee/year		2.5%
PPM	705806			
Bloomberg	TUNDPKAK SS			
AuM	1082.9 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 August

	Return (SEK)
Murree Brewery	66.0%
Aisha Steel Mill	44.4%
Natl Bk Pakistan	13.6%
Pak Oilfields	13.5%
Meezan Bank Ltd	12.9%

Worst performers in August

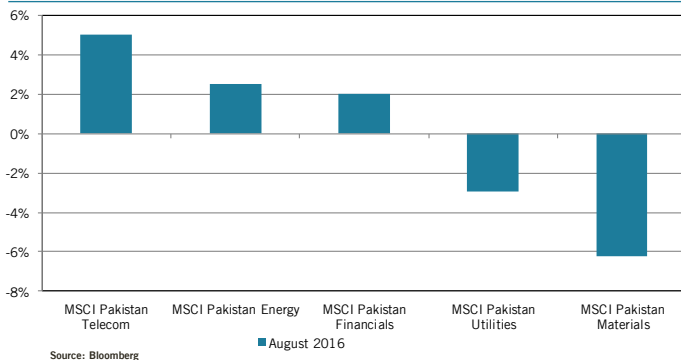
	Return (SEK)
Ferozsons Labs	-14.6%
Engro Corp	-8.5%
Pioneer Cement	-7.1%
Lucky Cement	-6.6%
Kohinoor Text	-6.0%

Five largest holdings

Holder	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Habib Bank Ltd	6.9%	Pakistan	9.1	9.6	6.1%	0.0%
United Bank Ltd	5.9%	Pakistan	9.6	9.2	6.2%	10.2%
K-Electric Ltd	5.8%	Pakistan	11.0	7.6	0.0%	11.9%
Mcb Bank Ltd	5.7%	Pakistan	8.9	9.8	7.2%	-5.1%
Nishat Mills Ltd	4.8%	Pakistan	-	9.0	3.8%	3.9%

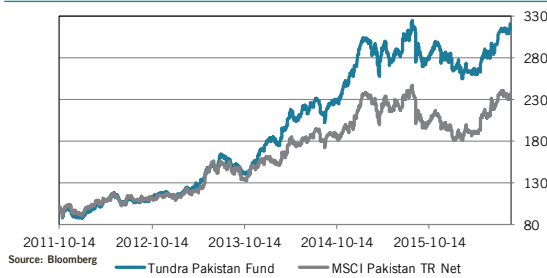
Source: Bloomberg, Tundra Fonder

Pakistan sector indices (SEK, total return)



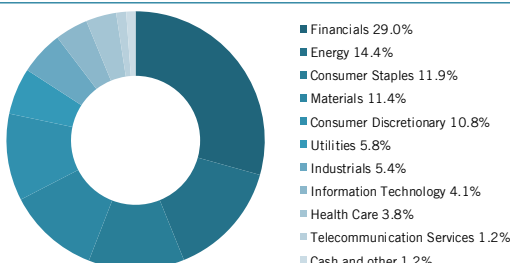
Source: Bloomberg

Tundra Pakistan Fund vs index (since inception)



Source: Bloomberg

Tundra Pakistan Fund: Sector allocation



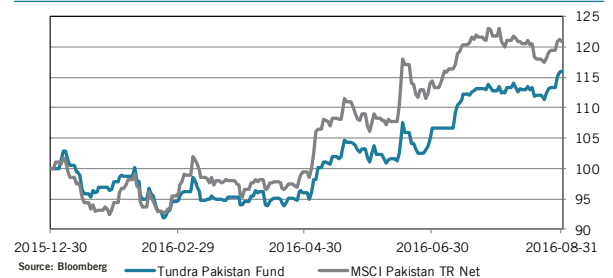
The market

MSCI Pakistan Net (SEK) lost 0.7% during August compared to MSCI Emerging Markets Net which gained 2.5%. Foreign investors turned into net sellers in the market to the tune of USD 20m while daily traded value amounted to USD 110m. Quarterly results released in August met expectations, except for Pharmaceuticals and Fertilizers. In Consumer and Energy stocks, dividends came in above expectation. Cement companies' results were accompanied with massive expansion plans, resulting in an expected capacity increase of 50-60% in Pakistan by 2018-19. Back of the envelope calculation suggests that a 15%+ growth in local demand is required just to cover fixed costs (depreciation and interest expense), which was a cause of concern among investors. On the political end, opposition parties have started street protests to raise pressure on the government to clarify the source of funds of the Prime minister's family assets abroad. It is too early to predict the effect of these demonstrations and determine whether the opposition would be able to attract a large crowd but still the event will most likely keep investors nervous. The economic numbers for August remained distressed with trade deficit widening and remittances declining. Despite this, foreign reserves are close to an all time high at USD 23bn. However, repayments are scheduled to start next year which, in combination with an increasing current account deficit, presents a risk for currency devaluation.

The fund

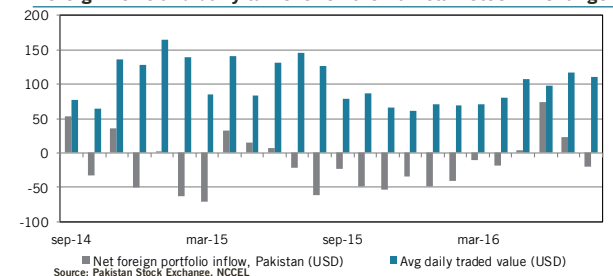
The fund gained 2.9% during the month compared to the negative return of 0.7% posted by the benchmark index. Our off benchmark bets in Consumer Staples (in particular Murree Brewery which rose more than 60%), Utilities (KEL), Financials (Meezan Bank) along with our underweight in Materials (Lucky Cement and Engro) added performance during the month. On the other hand, Healthcare (Feroz) contributed negatively to the fund. The fund continued to increase its position in Financials and IT while maintaining a significant underweight in Materials. Both sectors (along with Textiles, Energy and Utilities) will benefit significantly in the case of a weaker currency period ahead while at the same time valuations are relatively attractive even in the case of a status quo.

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



Source: Bloomberg

Foreign flows and daily turnover on the Pakistan Stock Exchange



Source: Pakistan Stock Exchange, NCCEL

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Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Rysslandsfond	94.6	3.0%	25.1%	17.7%	-5.4%
Jmf-index (MSCI Russia Net (SEK))	3918.6	2.5%	28.2%	15.4%	1.5%

Facts		Risk and costs*	
Inception date	2011-10-14	Active risk (Tracking error)	9.4%
Inception price	100,00	Standard deviation	24.0%
Pricing	Daily	Standard deviation, benchmark	30.1%
Manager	Tundra Fonder AB	Beta	0.77
Benchmark index	MSCI Russia Net (SEK)	Information ratio	0.05
Bank account	SEB 5851-1076212	Risk level	7 of 7 (refer to KIID for more info)
ISIN	SE0004211274	Management fee/year	2.5%
PPM	741637		
Bloomberg	TUNDRYS SS		
AuM	19 MSEK		

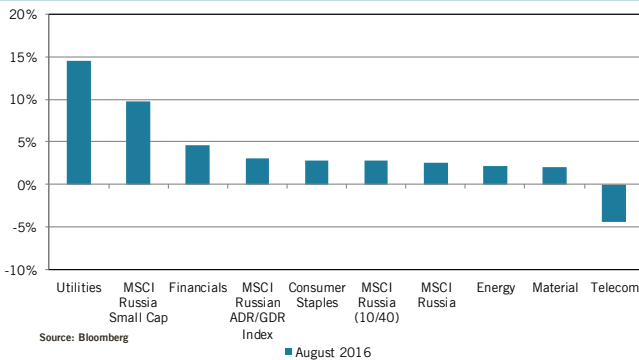
*Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since it

Best performers in August		Worst performers in August	
	Return (SEK)		Return (SEK)
Halyk Savings Bk	22.8%	Transneft Pjsc	-5.9%
X 5 Retail-Gdr	21.2%	Novolipetsk St.	-4.5%
Tmk	16.4%	Severstal	-4.2%
Moscow Exchange	13.2%	MTS	-4.1%
Dixy	12.2%	Lsr	-1.9%

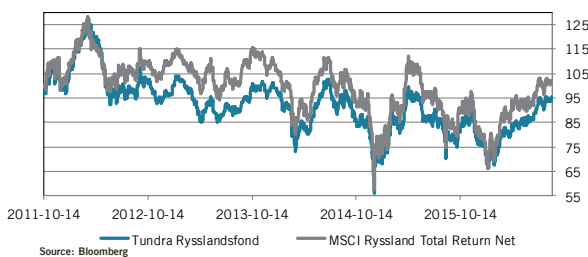
Five largest holdings						Return 1
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	month (SEK)
Sberbank	9.5%	Russia	14.6	7.1	2.8%	4.3%
Gazprom	9.3%	Russia	2.8	3.4	6.4%	-0.6%
Norilsk Nickel	5.4%	Russia	8.6	11.5	7.3%	2.5%
Novatek	4.8%	Russia	18.1	11.8	2.6%	6.8%
Vaneck Vectors R	4.5%	Russia	-	-	-	0.4%

Source: Bloomberg, Tundra Fonder

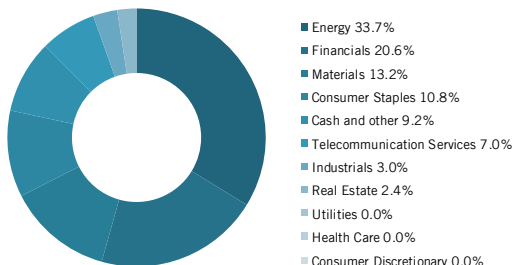
Russian sectors and indices (SEK, total return)



Tundra Rysslandsfond vs index (since inception)



Tundra Rysslandsfond: Sector allocation



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The market

MSCI Russia Net SEK rose 2.5% in August compared to other emerging markets (MSCI Emerging Markets Net) which also 2.5%.

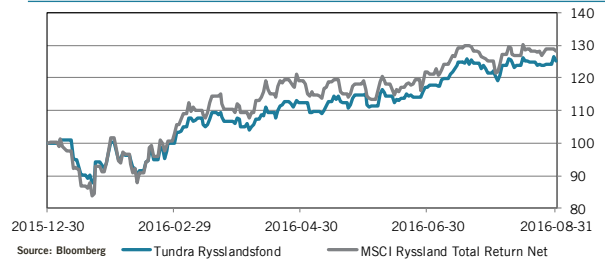
The oil price (Brent) rose 10.8% (USD) during the month and is now up 29% YTD. The dialogue within OPEC is somewhat more constructive in terms of "controlled" production level, which certainly contributed to rising oil prices during the month. Iran's statements have been slightly more positive than before.

The vast majority of Russian companies reported their half-year results during the month. We have also had the opportunity to meet significantly more companies than normally during the past month. The general perception is that there has been a dramatic adjustment to the new macroeconomic environment as the oil price has more than halved during the past year: sharply declining net debt levels, lower financing costs, large cost reductions and improved profitability. The description below is of course not applicable to all companies – we have met a range of companies being the most dynamic to adapt to a more difficult market. To give an example, the steel company MMK reduced its net debt by more than USD 2.5bn over four years, despite the fact that steel prices have fallen sharply during the same period. Sberbank, Russia's largest bank by far, reported an 209% increase in net profit in RUB during the first half of the year compared to the same period last year. The net margin increased 1.5% and provisions fell. There are good prospects that interest rates will continue to fall in Russia, where inflation is now below 7%. An interesting detail is that Aeroflot's revenues in the Americas traffic increased by 47% during the first half, more than any other region. This is despite the fact that sanctions are still in place from the US side.

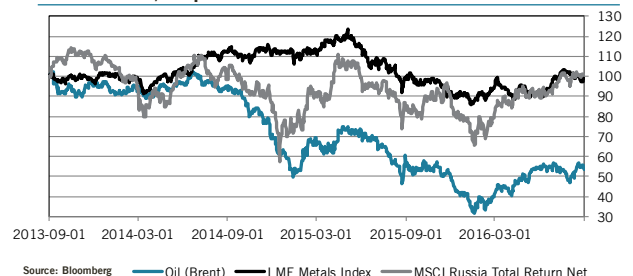
The fund

Tundra Rysslandfond rose 3.0% in August, while the market, measured by MSCI Russia Net, rose 2.5% (SEK). The stock selection, including the position in GlobalTrans bought in July, accounted for more than half of the total excess return. The overweight in Consumer Staples also contributed positively while the underweight in Energy made a negative contribution over the month.

Tundra Rysslandsfond vs index (year-to-date)



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





Monthly Letter August 2016

Tundra Sustainable Frontier Fund (class A, SEK)

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Sustainable Frontier Fund	99.3	3.3%	10.5%	-4.9%	-0.7%
Benchmark (MSCI FM xGCC Net (SEK))	5031.9	-1.0%	3.9%	-0.8%	-6.6%

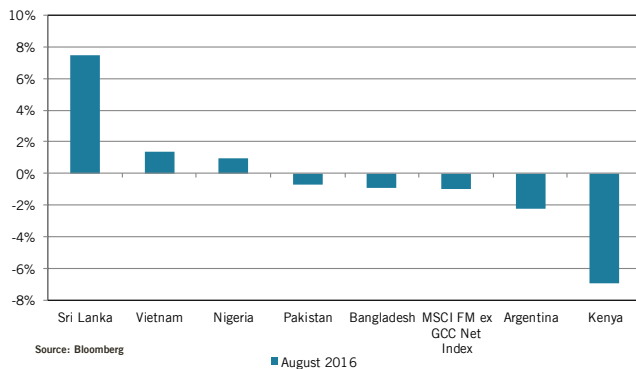
Facts		Risk and costs*	
Inception date	2015-08-03	Active risk (Tracking error)	-
Inception price	100.00	Standard deviation	-
Pricing	Daily	Standard deviation, benchmark	-
Manager	Tundra Fonder AB	Beta	-
Benchmark index	MSCI FM xGCC Net (SEK)	Information ratio	-
Bank account	SEB 5851-1107312	Risk level	7 of 7 (refer to KIID for more info)
ISIN	SE0005797206	Management fee/year	2.5%
PPM	-		
Bloomberg	TUNDUSUS SS		
AuM	163.6 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

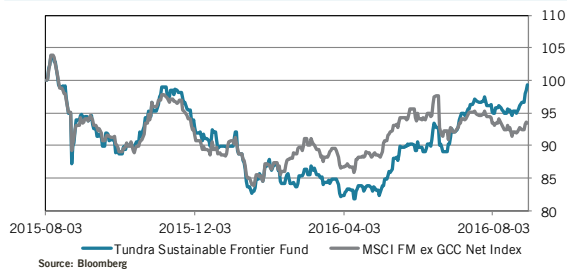
Best performers in August		Worst performers in August	
	Return (SEK)		Return (SEK)
Tokyo Cement Co	30.1%	Diamond Bank	-32.9%
Halyk Savings Bk	22.8%	Zenith Bank Plc	-15.6%
Viet Nam Dairy P	21.1%	Ferozsons Labs	-14.6%
Access Eng.	16.2%	Letshego Holding	-11.7%
Hoa Phat Grp Jsc	13.8%	United Bank Afr	-9.9%

Five largest holdings					Return 1	
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	month (SEK)
International Brands	5.0%	Pakistan	-	-	-	1.5%
Hoa Phat Grp Jsc	4.1%	Vietnam	10.3	7.6	3.6%	13.8%
Meezan Bank Ltd	4.0%	Pakistan	10.4	11.8	5.5%	12.9%
Systems Ltd	3.9%	Pakistan	9.4	12.5	-	2.1%
K-Electric Ltd	3.9%	Pakistan	-	-	0.0%	11.9%

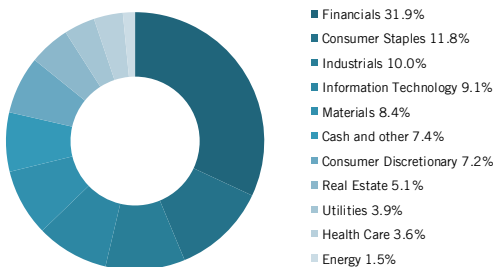
Major frontier markets (SEK, total return)



Tundra Sustainable Frontier Fund vs index (since inception)



Tundra Sustainable Frontier Fund: Sector allocation



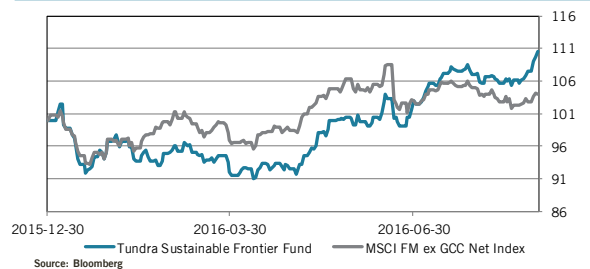
The market

MSCI Frontier Markets xGCC Net (SEK) fell 1.0% in August, compared with the MSCI Frontier Markets Net which fell 1.1% and the MSCI Emerging Markets Net which rose 2.5%. Among the losers were Kenya (-7%) after having introduced a cap on interest rates (maximum lending rate). Kenyan banks fell nearly 25% during the month and the seemingly politically motivated campaign created a general concern in the market. Winners were Sri Lanka where strong reports and continued positive sentiment after the IMF agreement and the successful Eurobond sales brought in more buyers. An important event during the month was leading index provider MSCI's decision to include Vietnamese Vinamilk in their Frontier indices. Vinamilk is now the second largest company in the MSCI Frontier Markets Index and the largest company in the MSCI Frontier Markets xGCC with weights of 4.7% and 5.7% respectively. It also means that Vietnam's share in the Frontier Index has more than doubled to 8.7% and 11% respectively. An important event towards the end of September will be MSCI's decision on the possible exclusion of Nigeria from Frontier indices after continuing problems for foreign investors to trade the country's currency. Our main scenario is that Nigeria will remain included. However, it needs very soon to launch a functional currency trading in order not to be relegated and it can not be excluded that it happens already now.

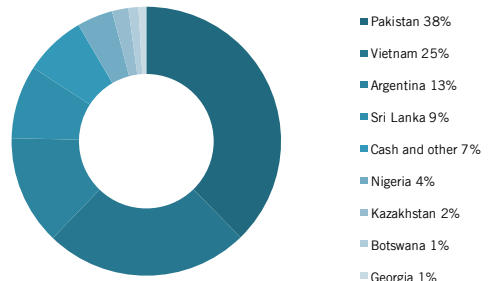
The fund

The fund rose 3.3% in a weak market environment. Some contribution came from the fund's lack of exposure to Kenya. In addition the fund's overweight in Sri Lanka added to relative performance. More than 4/5 of the fund's relative performance during the month came, however, from our stock picking where a number of top picks did well. Vietnamese Vinamilk rose 21% after the removal of foreign ownership limits, Pakistani Meezan Bank rose 13% in a declining market and Sri Lankan Tokyo Cement rose 30% after a very strong quarterly report. It was far from a perfect month however. The fund lost relative performance in Pakistani pharmaceutical company Feroz which fell 15% after a weak quarterly report, Nigerian Zenith Bank fell 16% in a continued dull market and the absence of Kenyan Safaricom also cost some relative performance. No major changes were made in the fund during the month.

Tundra Sustainable Frontier Fund vs index (year-to-date)



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	152.4	2.0%	19.6%	19.9%	52.4%
Jmf-index (FTSE Vietnam Index Net (SEK))	2335.5	1.4%	10.5%	7.8%	27.3%

Facts		Risk and costs*	
Inception date	2014-05-06	Active risk (Tracking error)	8.3%
Inception price	100,00	Standard deviation	17.0%
Pricing	Dagligen	Standard deviation, benchmark	16.9%
Manager	Tundra Fonder AB	Beta	0.88
Benchmark index	FTSE Vietnam Index TR (SEK)	Information ratio	1.23
Bank account	SEB 5851-1103805	Risk level	7 of 7 (refer to KIID for more info)
ISIN	SE0005797099	Management fee/year	2.5%
PPM	762823		
Bloomberg	TUNDVIE SS		
AuM	401.8 MSEK		

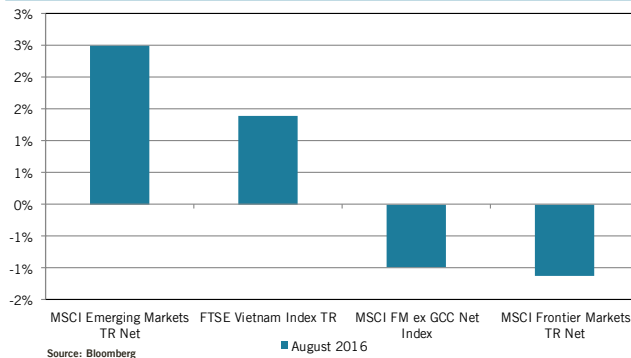
*Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

Best performers in August		Worst performers in August	
Return (SEK)		Return (SEK)	
Nam Kim Steel Js	55.5%	Cadivi	-17.1%
Kido Group Corp	33.1%	Hung Vuong Corp	-11.8%
Hoa Phat Grp Jsc	24.1%	Hatien 1 Cement	-10.3%
Viet Nam Dairy P	21.1%	Saigon Securitie	-6.7%
Hoa Phat Grp Jsc	13.8%	Vietnam Electric	-6.2%

Five largest holdings						
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Viet Nam Dairy P	8.0%	Vietnam	30.9	25.1	3.5%	21.1%
Hoa Phat Grp Jsc	7.8%	Vietnam	10.3	7.6	3.6%	13.8%
Vingroup Jsc	7.1%	Vietnam	34.8	34.1	-	-5.8%
Masan Group Corp	6.0%	Vietnam	40.3	22.4	-	7.7%
Saigon Sec.	5.5%	Vietnam	10.7	14.9	4.7%	-6.7%

Source: Bloomberg, Tundra Fonder

Various frontier market indices (SEK, total return)



The market

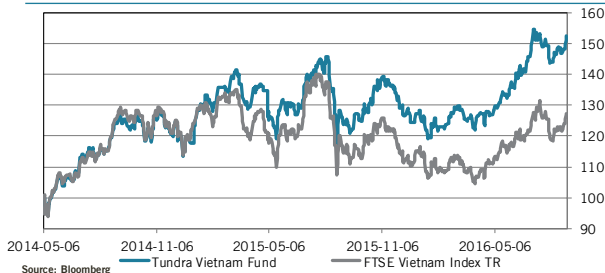
The Vietnam market started off August on a weak note but recovered strongly in the second half. Foreign investors took profits and net sold USD 73m, with the main focus being in the biggest market capital tickers. Yet, local investors gradually stepped in, which pushed the market ahead in the second half of the month. FTSE Vietnam Net (SEK) rose 1.4% while frontier markets overall fell 1.0%. Average daily traded turnover decreased to USD130m/day, but still came in at a good level. The main events of the month were that Vietcombank announced that it will issue a 7.7% stake to GIC (Singapore Sovereign Wealth Fund), Masan Group's announcement of a buyback of 20 million shares, and Vinamilk being added to FTSE Vietnam in this quarterly review together with Hoa Sen Group. A landmark event was MSCI's announcement to add Vinamilk to MSCI Frontier Markets Indices following the removal of FOL. As of end of month, Vinamilk will constitute 4.7% of MSCI Frontier Markets, making it the second largest constituent in the index and more than doubling Vietnam's weight to 8.7%.

Macro statistics came in positively with the PMI improving slightly to 52.2 from 51.9 in July, signalling a healthy condition of the manufacturing sector. 8 months registered FDI came in at USD14.4bn (+7.7%) and disbursed number at USD 9.8bn (+8.9%). August CPI was kept at a low level of 0.1% (2.57% yoy). FX reserves reached USD 40bn in August (USD +10bn vs end of 2015).

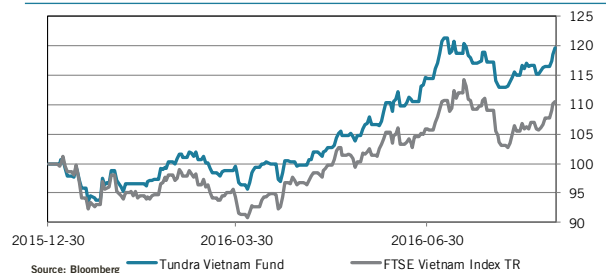
The fund

The fund gained 2.0% in August, slightly outperforming the benchmark index, which gained 1.4%. The relative performance came from our overweights in Energy, Industrials and IT. Our off benchmark stock Vinamilk also added some alpha. In contrast, benchmark heavy Consumer Staples (MSN, KDC) and Materials (HPG) were the main drivers of negative relative performance. The fund added to its position in Vinamilk after the foreign ownership limit was removed.

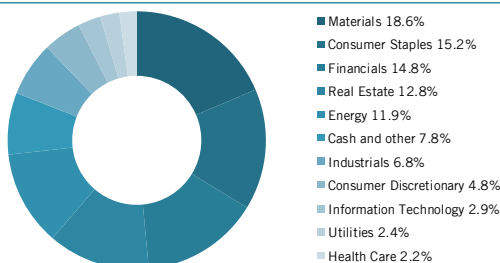
Tundra Vietnam Fund vs index (since inception)



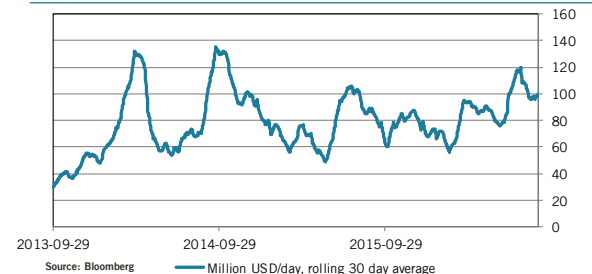
Tundra Vietnam Fund vs index (year-to-date)



Tundra Vietnam Fund: Sector allocation



Daily turnover on the Ho Chi Minh Stock Exchange



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	Return SEK (%)			
	August	3 months	Year to date	12 months
Emerging Markets				
MSCI Emerging Markets TR Net	2,5	15,3	16,8	12,8
Brazil	0,9	36,5	67,0	39,6
Chile	-4,1	8,0	15,4	7,1
Colombia	9,6	15,3	31,8	15,2
The P Philippines	-1,7	8,1	15,4	11,8
India	1,2	11,5	11,2	8,6
Indonesia	1,5	21,0	26,3	31,6
China (A shares)	3,2	6,6	-12,7	-4,8
China (H shares)	7,4	15,6	7,9	9,0
Malaysia	2,3	8,9	9,9	13,8
Egypt	1,8	19,4	19,5	11,2
Mexico	1,4	5,3	4,0	-1,7
Peru	-4,4	15,4	53,6	37,2
Poland	1,8	5,0	-1,4	-17,5
Russia	2,5	10,0	28,2	16,3
South Africa	-7,7	11,4	18,3	-2,2
South Korea	3,2	17,3	15,5	23,0
Taiwan	1,8	15,9	20,6	17,1
Thailand	3,6	15,6	35,8	19,8
Czech Republic	-10,2	-3,4	-3,0	-20,2
Turkey	1,4	0,3	6,3	2,4
Hungary	2,8	10,9	24,7	37,5
United Arab Emirates	-0,1	12,7	17,7	-2,0
Qatar	4,0	20,1	13,0	-0,1
Latin America	0,7	21,9	36,4	20,8
Asia	3,4	14,6	12,9	13,9
EMEA	-2,6	9,3	16,4	0,7
Frontier Markets				
MSCI Frontier Markets 100 TR Net	-1,1	-0,5	1,7	-3,0
MSCI Frontier Markets xGCC Net	-1,0	-0,9	3,9	-0,8
Argentina	-2,2	3,4	14,8	18,8
Bangladesh	-0,9	2,3	5,4	-12,8
Bosnia and Herzegovina	0,0	1,9	5,0	-1,4
Bulgaria	0,4	7,6	-5,3	-10,3
Ecuador	1,0	-2,2	-4,7	-12,5
Morocco	-0,5	6,2	21,0	12,7
Estonia	-6,7	-0,8	15,0	15,9
Tunisia	1,5	-1,2	7,9	0,0
Ghana	0,4	3,7	-10,1	-15,6
Kazakhstan	-2,4	2,2	2,3	-14,7
Kenya	-7,0	-3,8	1,2	4,7
Croatia	1,1	9,7	15,2	7,2
Kuwait	-1,9	-1,2	-7,8	-10,8
Latvia	0,2	2,6	11,9	46,8
Lithuania	-1,3	1,1	-1,3	-7,3
Mauritius	-1,8	2,5	6,3	-2,7
Mongolia	-12,3	0,7	-14,1	-15,7
Nigeria	1,0	-33,7	-31,1	-35,3
Pakistan	-0,7	13,8	20,9	9,0
Jordan	-5,5	-1,9	-4,3	-12,6
Romania	5,7	20,0	22,2	17,6
Serbia	-3,0	2,7	-1,3	-11,0
Slovakia	1,6	1,9	12,4	24,4
Slovenia	-2,3	5,6	-1,5	1,6
Sri Lanka	7,5	14,5	0,4	-12,0
Ukraine	-2,3	11,8	21,2	-11,9
Vietnam	1,4	8,8	10,5	7,8
Developed Markets				
MSCI World TR Net	0,1	6,2	5,9	7,6
Hong Kong	1,1	12,2	10,2	13,4
Nasdaq	1,0	8,5	4,6	10,1
Nikkei 225	0,4	7,3	2,8	3,8
OMX Stockholm 30	1,6	3,7	1,0	-1,7
S&P 500	-0,1	6,6	6,9	11,1
Singapore	-2,0	5,6	4,8	4,1
STOXX Europe 600	0,3	2,8	-0,2	-2,3
Sectors (Emerging Markets)				
Financials	3,9	17,7	15,6	10,8
Industrials	1,7	11,0	8,1	1,1
Consumer Staples	-0,5	8,6	13,5	7,6
Energy	2,0	12,5	24,6	12,7
IT	5,5	19,9	22,7	29,6
Utilities	-0,4	13,1	16,5	10,3
Healthcare	-0,7	9,9	5,5	1,5
Materials	-0,2	18,9	28,3	18,1
Consumer Discretionary	1,8	12,2	11,4	11,8
Telecom	-1,8	10,4	11,1	-0,2

	Return in USD (%)			
	August	3 months	Year to date	12 months
Soft commodities				
Coffe	-0,2	20,0	18,0	21,0
Cocoa	3,0	-4,5	-9,5	-5,8
Corn	-8,0	-22,8	-17,7	-21,0
Palm oil	16,8	6,9	28,8	48,5
Rice	-7,5	-16,0	-20,3	-22,6
Soya	-6,0	-10,7	6,2	6,7
Wheat	-10,9	-21,3	-23,4	-25,3
Energy				
Cool (cooking coal, China)	11,1	9,8	26,8	-4,3
Cool (steam coal, South Africa)	3,1	20,9	37,3	22,9
Natural Gas (Henry Hub)	0,4	26,2	30,4	7,4
Oil (Arabian Light)	14,5	-1,0	44,7	-6,6
Oil (Brent)	10,8	-5,3	29,0	-13,1
Oil (WTI)	7,5	-9,0	22,1	-9,1
Fertilizers				
Ammonia	-11,1	-23,8	-40,0	-47,8
Phosphorus	-2,3	-2,3	-7,4	-5,3
Potash	9,3	2,2	-23,0	-33,8
Sulfur	0,0	-7,1	-40,9	-52,6
Urea	-0,1	-0,8	-18,7	-34,6
Metals				
Aluminum	-1,8	3,7	5,6	0,7
Gold	-3,2	7,7	23,4	15,4
Copper	-6,3	-1,2	-2,5	-10,1
Nickel	-8,1	15,8	12,2	-2,9
Palladium	-5,6	22,7	22,3	11,5
Platinum	-8,5	7,3	20,6	4,0
Silver	-8,2	16,5	34,7	27,5
Steel	6,9	11,1	41,3	34,3
Zinc	3,0	20,1	41,5	27,7

	SEK per 1 local currency				Change (%)			
	2016-08-31	2016-05-31	2015-12-30	2015-08-31	August	3 months	Year to date	12 months
Argentina (Peso)	0,5731	0,5942	0,6487	0,9125	0,5	-3,6	-11,7	-37,2
Bangladesh (Taka)	0,1093	0,1061	0,1074	0,1091	0,1	3,1	1,9	0,3
Bosnia Hercegovina (Mark)	4,8774	4,7313	4,6980	4,8553	-0,3	3,1	3,8	0,5
Brazil (Real)	2,6524	2,3014	2,1274	2,3430	0,7	5,2	24,7	13,2
Bulgaria (Lev)	4,8821	4,7334	4,6972	4,8592	-0,2	3,1	3,9	0,5
Chile (Peso) X100	0,0126	0,0120	0,0119	0,0123	-3,6	4,7	5,9	2,7
Colombia (Peso) x100	0,0029	0,0027	0,0027	0,0028	3,3	7,1	8,6	3,6
Egypt (Pound)	0,9744	0,9413	1,0754	1,0836	1,2	3,5	-9,4	-10,1
Euro	9,5511	9,2790	9,1913	9,4857	-0,1	2,9	3,9	0,7
Philippines (Peso)	0,1838	0,1777	0,1793	0,1813	1,3	3,4	2,5	1,3
United Arab Emirates (Dirham)	2,3301	2,2630	2,2923	2,3095	0,0	3,0	1,6	0,9
Hong Kong (Dollar)	1,1033	1,0698	1,0863	1,0945	0,0	3,1	1,6	0,8
India (Rupee)	0,1278	0,1236	0,1268	0,1276	0,1	3,4	0,8	0,2
Indonesia (Rupiah) X100	0,0006	0,0006	0,0006	0,0006	-1,2	5,9	5,6	7,0
Japan (Yen) X100	0,0829	0,0751	0,0698	0,0700	-1,2	10,3	18,7	18,4
Kazakhstan (Tenge)	0,0251	0,0247	0,0248	0,0353	3,4	1,6	1,2	-28,7
Kenya (Shilling)	0,0845	0,0824	0,0823	0,0816	0,2	2,6	2,7	3,6
China (Renminbi)	1,2813	1,2622	1,2973	1,3298	-0,7	1,5	-1,2	-3,6
Croatia (Kuna)	1,2771	1,2357	1,2028	1,2584	-0,1	3,4	6,2	1,5
Kuwait (Dinar)	28,3428	27,4946	27,7369	28,0717	0,1	3,1	2,2	1,0
Latvia (Lati)	13,5873	13,1740	13,0720	13,5241	-0,1	3,1	3,9	0,5
Malaysia (Ringgit)	2,1041	2,0132	1,9621	2,0233	0,0	4,5	7,2	4,0
Morocco (Dirham)	0,8768	0,8522	0,8499	0,8738	-0,2	2,9	3,2	0,3
Mexico (Peso)	0,4538	0,4513	0,4856	0,5068	-0,6	0,5	-6,6	-10,5
Mongolia (Togrog)	0,0039	0,0042	0,0042	0,0043	-6,4	-7,0	-8,4	-9,1
Nigeria (Naira)	0,0272	0,0418	0,0423	0,0426	1,8	-34,8	-35,6	-36,1
Pakistan (Rupee)	0,0817	0,0793	0,0803	0,0814	0,1	3,1	1,8	0,4
Peru (new Sol)	2,5231	2,4615	2,4691	2,6209	-1,2	2,5	2,2	-3,7
Poland (Zloty)	2,1861	2,1117	2,1583	2,2462	-0,4	3,5	1,3	-2,7
Qatar (Rial)	2,3504	2,2834	2,3119	2,3293	0,0	2,9	1,7	0,9
Romania (Lei)	2,1440	2,0494	2,0284	2,1450	0,0	4,6	5,7	0,0
Russia (Ruble)	0,1311	0,1259	0,1147	0,1315	1,0	4,1	14,3	-0,3
Serbia (Dinar)	0,0776	0,0753	0,0755	0,0790	0,0	3,0	2,8	-1,9
Singapore (Dollar)	6,2851	6,0380	5,9491	6,0097	-1,6	4,1	5,6	4,6
Sri Lanka (Rupee)	0,0588	0,0562	0,0584	0,0630	0,0	4,7	0,8	-6,7
Sydafrika (rand)	0,5817	0,5301	0,5411	0,6396	-5,7	9,7	7,5	-9,1
South Korea (Won)	0,0077	0,0070	0,0072	0,0072	0,5	10,1	6,9	7,1
Taiwan (Dollar)	0,2695	0,2548	0,2556	0,2597	0,6	5,8	5,4	3,8
Thailand (Bhat)	0,2472	0,2326	0,2336	0,2366	0,5	6,3	5,8	4,5
Czech (Koruny)	0,3533	0,3426	0,3400	0,3515	-0,1	3,1	3,9	0,5
Turkey (Lira)	2,8930	2,8207	2,8802	2,9149	1,0	2,6	0,4	-0,8
Ukraine (Hryvnia)	0,3262	0,3315	0,3501	0,3812	-5,4	-1,6	-6,8	-14,4
Hungary (Forint)	0,0308	0,0295	0,0293	0,0303	0,4	4,4	5,1	1,8
USD	8,5584	8,3119	8,4198	8,4827	0,0	3,0	1,6	0,9
Vietnam (Dong) X1000	0,0004	0,0004	0,0004	0,0004	0,0	3,4	2,4	1,7

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