

MONTHLY LETTER OCTOBER 2016



TUNDRA  FONDER

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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.

Frontier markets rose 4% in October but the positive return can be completely explained by the weaker SEK. In USD terms, the asset class fell 1%. Frontier markets hence developed in line with emerging (+5%) and developed markets (+3%). Year-to-date frontier markets have risen 12% (4% in USD).

Among the winners in October were Morocco (+10%) and Kazakhstan (+5%). Morocco held general elections during the month where the governing PJD party came out as winner. Among other outperformers were several of the minor markets including Serbia, Bulgaria and Lebanon.

The major Asian frontier markets, Pakistan and Vietnam, underperformed frontier markets in general during the past month (+3% and +1% respectively). Pakistan suffered from the political turmoil as the opposition party PTI threatened with demonstrations, appointment of a new Chief of Army Staff and the turbulence caused by alleged leaks to media by Government officials. The economic conditions however remained positive and noteworthy is that Pakistan successfully managed to issue USD 1bn of bond at a low rate. In the case of Vietnam, the market has remained in a consolidation phase despite positive quarterly earnings reports with satisfying earning growth.

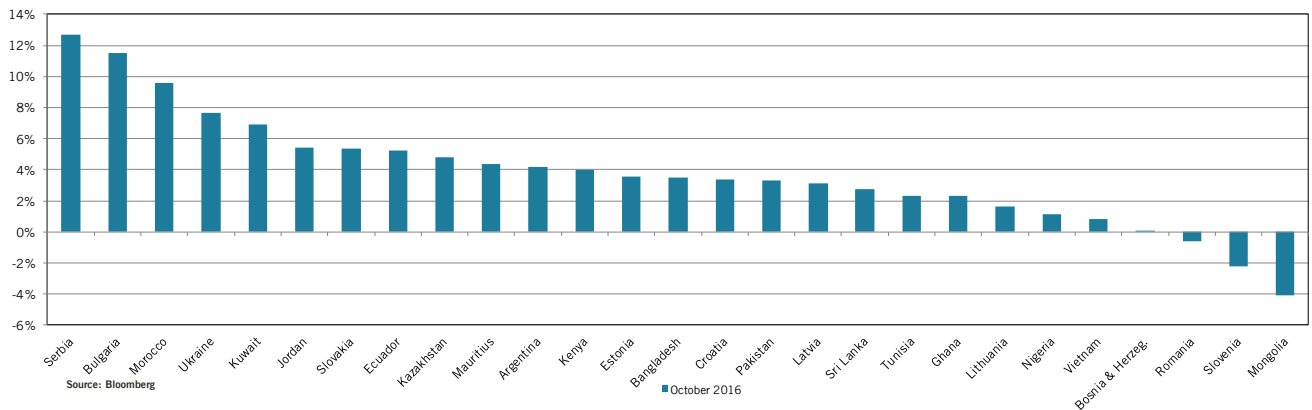
Nigeria rose 1% during October. The market has primarily focused on the earnings reports – the Financials have surprised on the upside while the consumer sector has gone through a challenging quarter.

Among other news, Bangladesh has struck a deal with China covering investments amounting to USD 13.6bn during the next decade, primarily within infrastructure. The agreement is similar to the one Pakistan has with China (China Pakistan Economic Corridor) and will bring a positive contribution to Bangladesh's already rapidly expanding economy with investments in the power sector, railways and roads. The agreement is part of a larger agreement in the region also incorporating India and Myanmar (BCIM Economic Corridor).

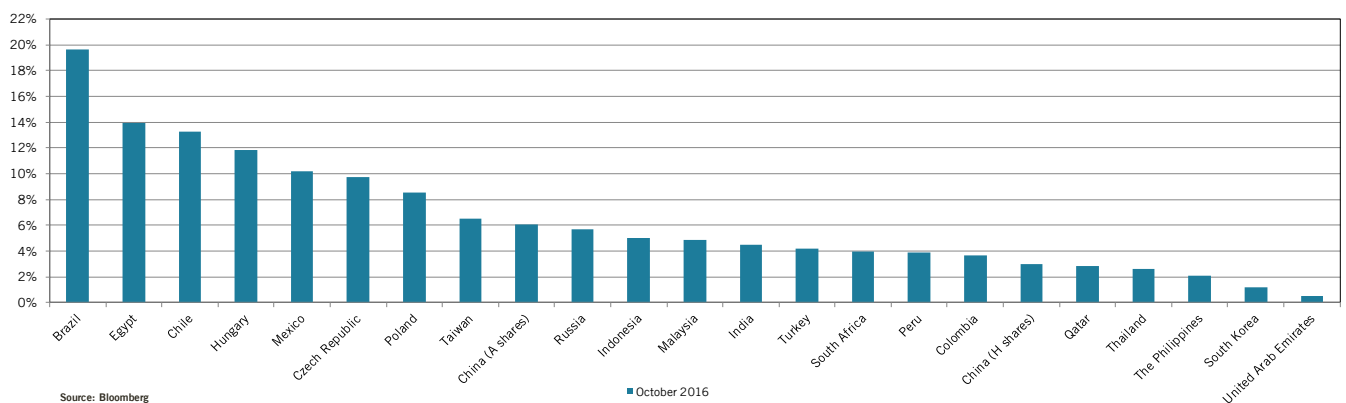
Frontier markets funds globally suffered from redemptions for the sixth consecutive month in September (the latest available data). After several months of improved net flows, despite still amounting to net redemptions, the trend was broken in September as the redemption now was substantially bigger than before.

US Presidential elections take place in November and we see turmoil in the global equity market as the main source of risk in the short term for frontier markets.

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	164.8	3.7%	14.1%	8.2%	64.8%
Benchmark (MSCI FM xGCC Net (SEK))	5417.4	4.3%	11.9%	4.8%	34.4%

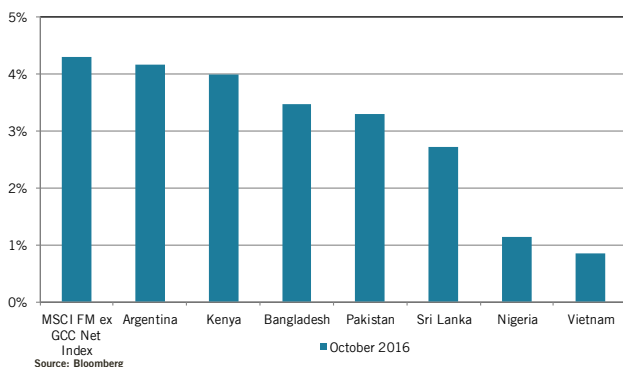
Facts		Risk and costs*	
Inception date	2013-04-02	Active risk (Tracking error)	8.7%
Inception price	100.00	Standard deviation	11.7%
Pricing	Daily	Standard deviation, benchmark	11.9%
Manager	Tundra Fonder AB	Beta	0.72
Benchmark index	MSCI FM xGCC Net (SEK)	Information ratio	0.61
Bank account	SEB 5851-1078355	Risk level	5 of 7 (refer to KIID for more info)
ISIN	SE0004211282	Management fee/year	2.5%
PPM	861229		
Bloomberg	TUNDFRO SS		
AuM	450.4 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

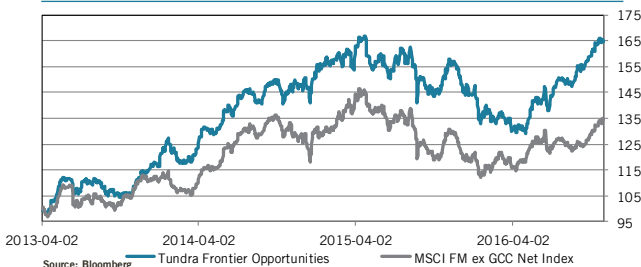
Best performers in October		Worst performers in October	
	Return (SEK)		Return (SEK)
Soc Des Brasser	20.5%	Saigon General	-9.1%
Georgia Health	18.6%	Diamond Bank	-7.8%
Systems Ltd	18.2%	Hoa Phat Grp Jsc	-6.3%
Tpl Properties L	10.9%	Ferozesons Labs	-5.9%
Adamjee Ins.	10.5%	Shifa In Hosp.	-3.8%

Five largest holdings						
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Fpt Corp	4.7%	Vietnam	10.9	9.7	4.8%	-2.0%
IBL	4.3%	Pakistan	-	-	-	-
Brac Bank Ltd	4.3%	Bangladesh	17.9	13.7	2.4%	5.3%
Active Fine Chem	4.2%	Bangladesh	-	-	-	0.7%
Ferozesons Labs	3.9%	Pakistan	-	-	-	-5.9%

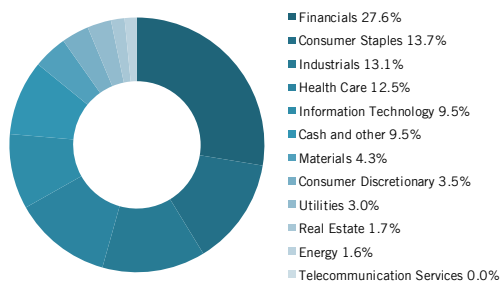
Major frontier markets (SEK, total return)



Tundra Frontier Opportunities vs index (since inception)



Tundra Frontier Opportunities: Sector allocation



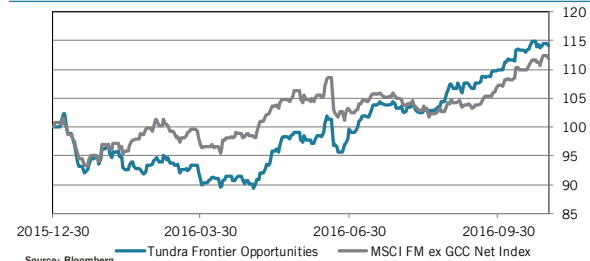
The market

MSCI Frontier Markets xGCC Index Net (SEK) rose 4.3% during the month, compared with the MSCI Emerging Markets Net (SEK) that rose 3.2%. Most frontier markets rose during the month. Morocco and Kazakhstan belonged to the winners with gains of 10% and 5% respectively. Worst performers were Romania (-1%) and Nigeria (+1%). Among major potential events during the month of November is the appointment of a new Chief of Army Staff in Pakistan, historically a sensitive moment. This time, however, we expect an undramatic succession. Given that the Pakistani stock market performed poorly during the last weeks of October we believe it will take unexpected turbulence associated with these events to affect the stock market negatively. On the global stage, we have the US presidential elections among factors that could affect global equities. We continue to see possible turbulence in global stock markets as the biggest threat to a positive development short-term.

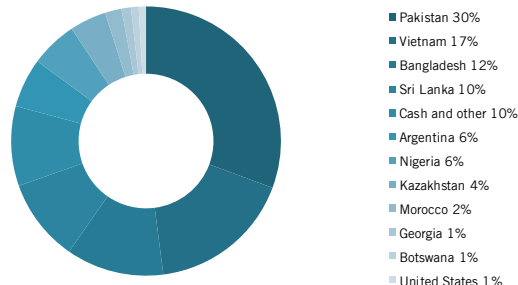
The fund

The fund rose 3.7% during the month, which was worse than the benchmark (+4.3%). At the country level, we lost some relative performance given underweight in Morocco and lack of investments in Lebanon. The fund also saw corrections in many of its recently best performing positions after five months of strong relative performance. This was most clearly seen in Vietnam. Among individual positions, Systems Ltd (3% of the fund), Georgia Healthcare (1%) and Societe des Brasseries (2%) performed particularly positive with gains of around 20% each. Among the negative positions were Saigon General Service (barely 1% of the fund) and Feroz (4%), with declines of 9% and 6% respectively. During the month, the fund increased its positions in Vietnam (property developer DXG which has been under pressure from a soon to be concluded rights issue), Bangladesh (Active Fine, which is a supplier to the rapidly growing pharmaceutical industry) and in Pakistan (pharmaceutical company Feroz which has come down due to a generational change in the portfolio). For 2016 the portfolio is trading at a holdings weighted P/E of just over 10 times whereas the expected earnings growth in 2017 is just above 15%.

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



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	55.5	6.2%	-17.1%	-24.6%	-44.5%
Benchmark (S&P Africa Frontier TR Index (SEK))	9909.4	2.1%	-13.0%	-18.7%	-24.1%

Facts		Risk and costs*	
Inception date	2013-05-20	Active risk (Tracking error)	7.0%
Inception price	100	Standard deviation	20.1%
Pricing	Daily	Standard deviation, benchmark	16.8%
Manager	Tundra Fonder AB	Beta	1.13
Benchmark index	S&P Africa Frontier TR Index(SEK)	Information ratio	-0.82
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	33.1 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

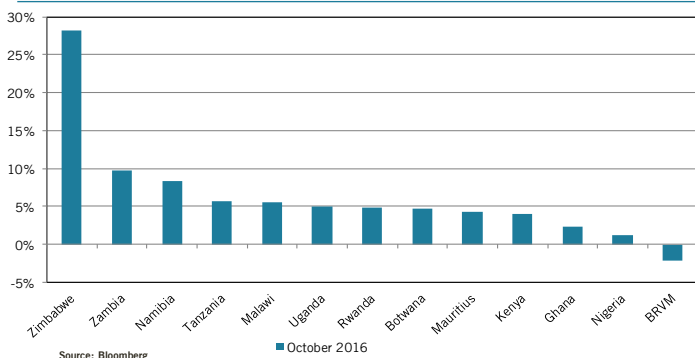
Best performers in October	Return (SEK)	Worst performers in October	Return (SEK)
Seplat Petrol	16.7%	Diamond Bank	-7.8%
Presco Plc	16.7%	Lafarge Africa P	-7.7%
Pz Cussons Ghana	10.5%	Flour Mills	-7.3%
Access Bank Plc	8.4%	Ghana Commercial	-6.7%
Co-Op Bank	7.9%	Transnational Co	-6.0%

Five largest holdings

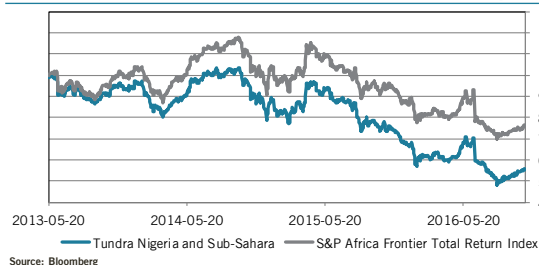
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Guaranty Trust	9.2%	Nigeria	7.0	5.8	8.1%	4.2%
GlobalXMSCI Niger	8.5%	Nigeria	-	-	-	1.5%
Seplat Petrol	7.7%	Nigeria	7.9	-	2.7%	16.7%
Mtn Group Ltd	7.6%	S. Africa	8.4	26.6	6.1%	6.0%
Zenith Bank Plc	7.4%	Nigeria	7.9	4.5	11.0%	2.9%

Source: Bloomberg, Tundra Fonder

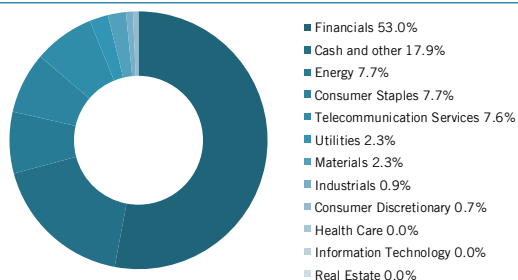
African markets (SEK, total return)



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



Tundra Nigeria & Sub-Sahara Fund: Sector allocation



The market

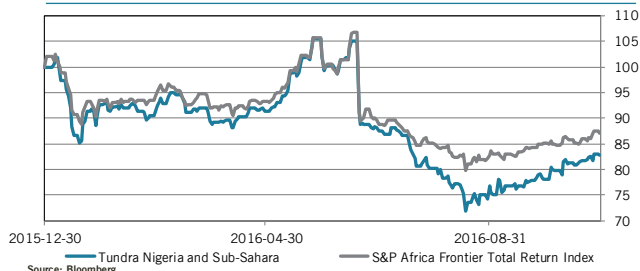
S&P Africa Frontier Total Return Index rose 2.1% in October. Africa underperformed other frontier markets (MSCI Frontier Markets xGCC Net 4.3%). Nigeria rose 1.1% (-28.3% YTD) while Kenya rose 4.0% (+14.1% YTD). Best performer in SSA was Zimbabwe rising 28.8%, while BRVM (joint exchange for e.g. Senegal, Ivory Coast and Togo) was the worst performer falling 2.2%. (All changes in SEK)

Zimbabwe recorded strong performance ahead of the issuance of "Bond notes", perceived by most as a way to print money in an economy that have used USD since 2009. Issuing bond notes is the government's solution to the acute liquidity crisis the country is experiencing. The stock market reaction is due to increased fear of a new period of hyperinflation (remember that in 2008 some stocks could rise more than 1 000% in one day, but concurrently inflation was more than 100 million percent). News flow in Nigeria was dominated by earnings reports without any major surprises, at least according to our view. Banks, where the fund is overweight, have delivered better than expected, with e.g. Guaranty and Zenith Bank reporting 3Q profit growth of 120% and 85% respectively vs same period last year. A vast majority of consumer companies, where the fund is underweight, have on the other hand showed decreasing earnings. Nigerian Breweries profit fell 78% and Nestlé Nigeria actually showed a loss for the second quarter in a row.

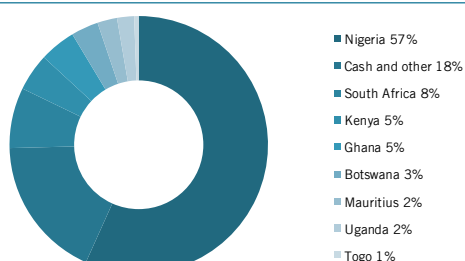
The fund

The fund rose 6.2% in October, outperforming its benchmark which rose +2.1%. On a country level the fund gained most from the overweight in Nigeria, while the underweight in Kenya contributed most on the negative side. On a sector level, we gained relative to the benchmark in Nigerian Financials and Energy stocks. Despite poor earnings Consumer stocks performed quite well and hence gave a negative relative contribution. On a company level we are happy to see the latest addition to the portfolio contributing the most to the outperformance. The vertically integrated palm oil producer Presco released a strong report where profits rose 70% vs Q3 2015. The company sells to most companies in the foodstuff industry and has been able to take advantage of the industry's problems with importing necessary raw material. (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	338.1	2.9%	22.2%	16.9%	238.1%
Benchmark (MSCI Pakistan Net (SEK))	7241.3	3.3%	27.1%	18.3%	148.4%

Facts	Risk and costs*		
Inception date	2011-10-14	Active risk (Tracking error)	7.8%
Inception price	100.00	Standard deviation	17.1%
Pricing	Daily	Standard deviation, benchmark	20.5%
Manager	Tundra Fonder AB	Beta	0.78
Benchmark index	MSCI Pakistan Net (SEK)	Information ratio	0.73
Bank account	SEB 5851-1076190	Risk level	6 of 7 (refer to KIID for more info)
ISIN	SE0004211308	Management fee/year	2.5%
PPM	705806		
Bloomberg	TUNDPK SS		
AuM	1157 MSEK		

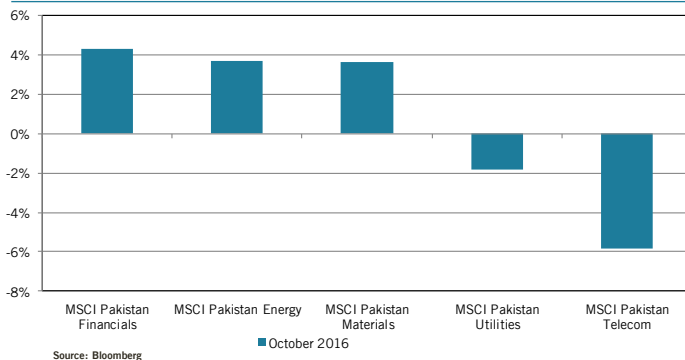
* Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception.

Best performers in October		Worst performers in October	
	Return (SEK)		Return (SEK)
Systems Ltd	18.2%	Century Paper	-13.5%
Kohinoor Text	13.7%	Natl Foods	-7.1%
Askari Bank Ltd	12.7%	Ferozsons Labs	-5.9%
Adamjee Ins.	10.5%	Shezan Intl	-5.5%
Millat Tractors	9.4%	Pakistan Petr.	-4.8%

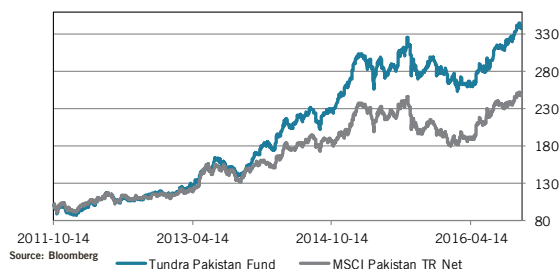
Five largest holdings						Return 1 month (SEK)
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	
Habib Bank Ltd	7.0%	Pakistan	9.3	9.9	5.8%	6.2%
K-Electric Ltd	5.8%	Pakistan	11.2	8.0	0.0%	6.2%
United Bank Ltd	5.7%	Pakistan	9.5	9.0	6.1%	6.3%
Mcb Bank Ltd	5.7%	Pakistan	9.1	10.2	7.0%	1.3%
OGDC	4.7%	Pakistan	6.5	10.2	5.4%	5.8%

Source: Bloomberg, Tundra Fonder

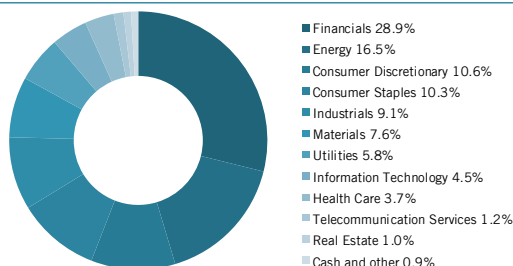
Pakistan sector indices (SEK, total return)



Tundra Pakistan Fund vs index (since inception)



Tundra Pakistan Fund: Sector allocation



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The market

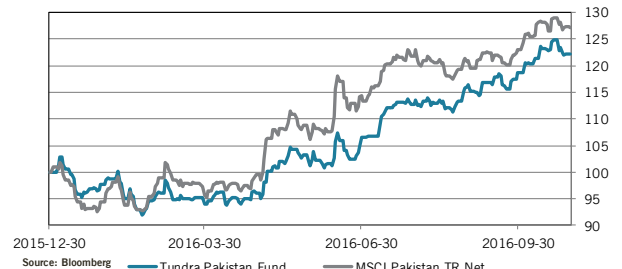
MSCI Pakistan Net (SEK) gained 3.3% during October compared to MSCI Emerging Markets Net (SEK) which gained 5.3%. The positive returns are masked by a 5% SEK depreciation. Foreign investors were net buyers in the market to the tune of USD 2m while daily traded value stood at USD 133m. The market touched its all-time-high in October but retraced back due to political noise. The volatile political situation overshadowed a positive economic news flow led by 1) PTI announced protest against the Panama leak revelations, 2) Fears of complications in conjunction with the planned appointment of a new Chief of Army Staff and 3) An alleged leak of classified information by Government officials to media. On November 1st opposition and the Government agreed on a Supreme Court led judicial commission probing the allegations which should eliminate the risks of derailing protest short term.

On the economic front the news flow continued to be encouraging as the Government raised USD 1bn in Islamic bonds at 5.5%, which took forex reserves to an all-time-high of USD 24bn. S&P upgraded Pakistan's sovereign credit rating to B from B-.

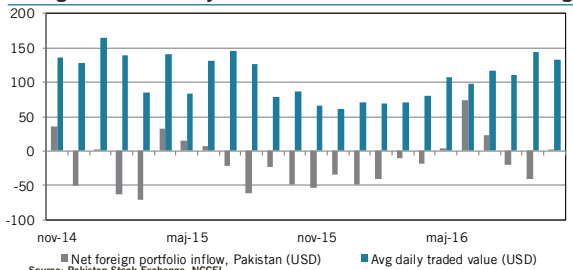
The fund

The fund added 2.9% (SEK) during the month slightly underperforming MSCI Pakistan Net (SEK) which gained 3.3%. Our underweights in Materials (Cements & Fertilizers), Energy and Financials along with our overweights in Consumer Staples and Healthcare were the main drivers of negative relative performance. To limit a drop in exports, the Government announced a stimulus package for Textiles, in which the fund had an overweight position. This mitigated underperformance somewhat. Utilities (mainly KEL) also performed positively as Shanghai Electric is likely to acquire a management stake of KEL for USD 1.77bn (a 10% premium to the market price at the time of announcement). No new stocks were added during the month.

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



Foreign flows and daily turnover on the Pakistan Stock Exchange



Monthly Letter October 2016

Tundra Rysslandsfond (class A, SEK)

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Rysslandsfond	103.3	6.0%	36.7%	22.2%	3.3%
Benchmark (MSCI Russia Net (SEK))	4315.0	5.7%	41.2%	25.8%	11.8%

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	TUND RYSS SS
AuM	23.5 MSEK
	Active risk (Tracking error)
	Standard deviation
	Standard deviation, benchmark
	Beta
	Information ratio
	Risk level
	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 ir

Best performers in October

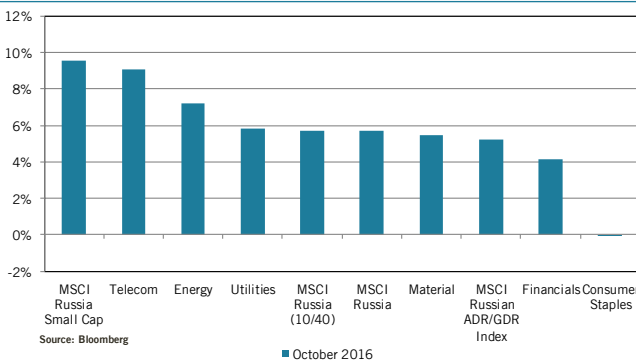
Return (SEK)	Worst performers in October	Return (SEK)
Novolipetsk St.	Moscow Exchange	-3.8%
Severstal	Dixy	-2.2%
Tmk	Vtb Bank	-2.0%
Rusal	Norilsk Nickel	-0.6%
Transneft Pjsc	Phosagro Pjsc	0.2%

Five largest holdings

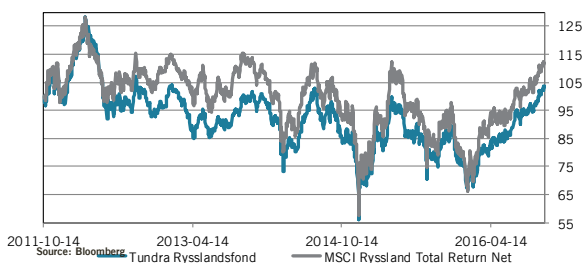
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Sberbank	9.2%	Russia	15.0	6.9	3.0%	5.8%
Magnit	8.6%	Russia	17.2	16.8	2.6%	6.7%
Gazprom	8.4%	Russia	2.9	3.5	6.3%	7.4%
Norilsk Nickel	4.6%	Russia	8.2	10.5	9.5%	-0.6%
Tatneft	4.3%	Russia	7.3	7.7	3.3%	15.7%

Source: Bloomberg, Tundra Fonder

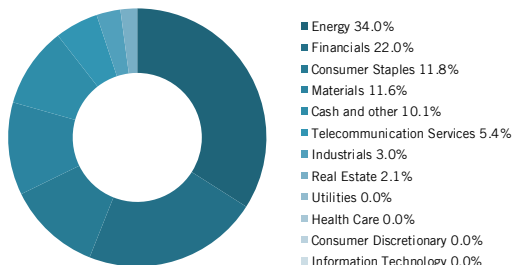
Russian sectors and indices (SEK, total return)



Tundra Rysslandsfond vs index (since inception)



Tundra Rysslandsfond: Sector allocation



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The market

MSCI Russia Net SEK rose 5.7% in October compared to other emerging markets (MSCI Emerging Markets Net) which rose 5.3%.

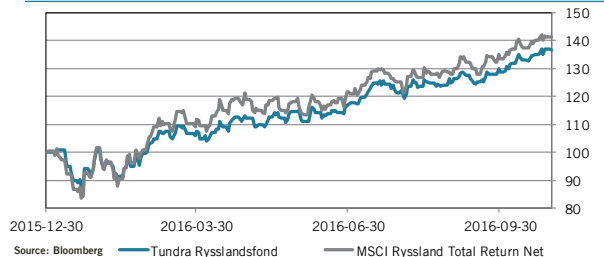
The oil price (Brent) fell 1.5% (USD) during the month. During the first week of the month, the oil price continued to rise as a result of the unexpected OPEC production cut deal kicking in November 30th. The oil price peaked at USD 53.7 on October 10th. Then the market began to get nervous whether the deal would hold. There are two parts of the settlement, where there is still uncertainty. 1) Which countries in OPEC are given exemptions from cut productions 2) How will production cuts be allocated among the remaining countries. When the OPEC deal is ready, the organization will try to bring the most important producers outside OPEC into the deal. Here, however, spokesmen from Russia have categorically denied that Russia will reduce its production. Practically this will be difficult as the oil production in Russia takes place in companies that are not fully controlled by the state. The uncertainty brought down oil prices to below USD 49 during the second half of the month.

During October, the iron and coal prices have risen sharply in China. Iron ore prices rose 21% and coking coal (used in steel production) rose 29% during the month (in CNY). It is still unclear what is driving prices. If it's just about restocking of inventories (inventories in China has been extremely low) or if it is driven by an actual increase in demand for steel in China. The Russian steel producers benefit a lot from this because they are all more or less integrated with its own raw material of iron and coal. The coking coal producer Ruspaskaya, producing for both the domestic and export markets, rose 33% in October.

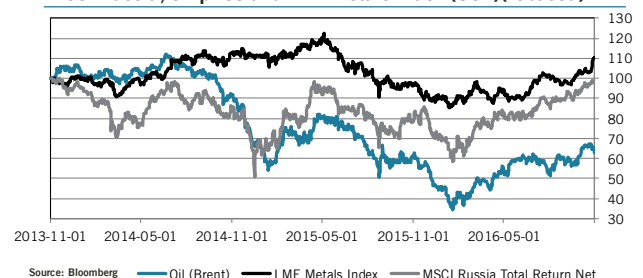
The fund

Tundra Rysslandsfond rose 3.1% in September, while the market, measured by MSCI Russia Net, rose 4.2% (SEK). The rally in Russia was broad and even spread between sectors, which is relatively uncommon. Best sector was again small cap which was up 9.5%. MSCI Russia Small Cap index has risen some astonishing 105% in 2016. Materials, include the steel companies, contributed positively to relative performance as did the position in GlobalTrans.

Tundra Rysslandsfond vs index (year-to-date)



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



Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Sustainable Frontier Fund	104.9	3.2%	16.7%	10.1%	4.9%
Benchmark (MSCI FM xGCC Net (SEK))	5417.4	4.3%	11.9%	4.8%	0.6%

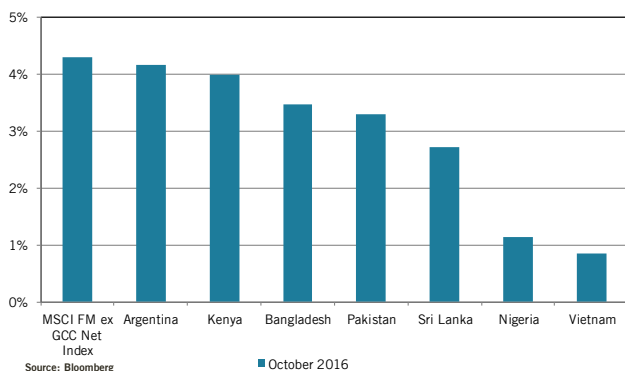
Facts	Risk and costs*
Inception date	2015-08-03
Inception price	100.00
Pricing	Daily
Manager	Tundra Fonder AB
Benchmark index	MSCI FM xGCC Net (SEK)
Bank account	SEB 5851-1107312
ISIN	SE0005797206
PPM	-
Bloomberg	TUNDSUS SS
AuM	175.2 MSEK
	Active risk (Tracking error)
	Standard deviation
	Standard deviation, benchmark
	Beta
	Information ratio
	Risk level
	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.

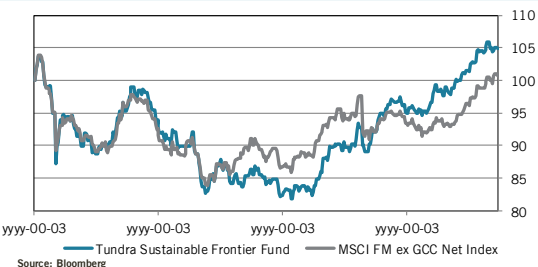
Best performers in October	Return (SEK)	Worst performers in October	Return (SEK)
Georgia Health	18.6%	Century Paper	-13.5%
Systems Ltd	18.2%	Danang Rubber Js	-11.7%
Tpl Properties L	10.9%	Saigon General	-9.1%
Adamjee Insur	10.5%	Diamond Bank	-7.8%
Millat Tractors	9.4%	Hoa Phat Grp Jsc	-6.3%

Five largest holdings	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Fpt Corp	4.7%	Vietnam	10.9	9.7	4.8%	1.5%
Systems Ltd	4.6%	Pakistan	11.5	15.2	-	18.2%
IBL	4.3%	Pakistan	-	-	-	-
Viet Nam Dairy P	4.2%	Vietnam	28.1	22.7	3.6%	6.6%
Meezan Bank Ltd	3.9%	Pakistan	10.3	10.3	5.2%	-0.2%

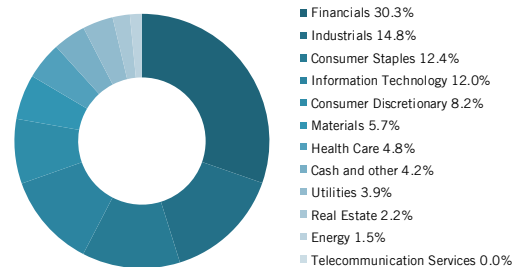
Major frontier markets (SEK, total return)



Tundra Sustainable Frontier Fund vs index (since inception)



Tundra Sustainable Frontier Fund: Sector allocation



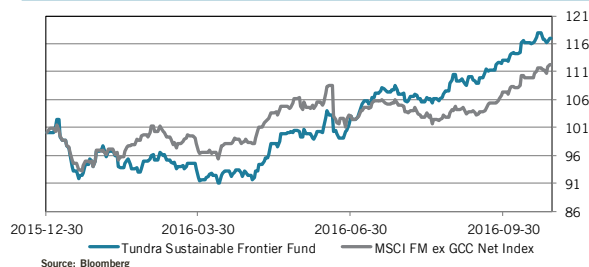
The market

MSCI Frontier Markets xGCC Index Net (SEK) rose 4.3% during the month, compared with the MSCI Emerging Markets Net (SEK) that rose 3.2%. Most frontier markets rose during the month. Morocco and Kazakhstan belonged to the winners with gains of 10% and 5% respectively. Worst performers were Romania (-1%) and Nigeria (+1%). Among major potential events during the month of November is the appointment of a new Chief of Army Staff in Pakistan, historically a sensitive moment. This time, however, we expect an undramatic succession. Given that the Pakistani stock market performed poorly during the last weeks of October we believe it will take unexpected turbulence associated with these events to affect the stock market negatively. On the global stage, we have the US presidential elections on November 8th among factors that could affect global equities. We continue to see possible turbulence in global stock markets as the biggest threat to a positive development short-term.

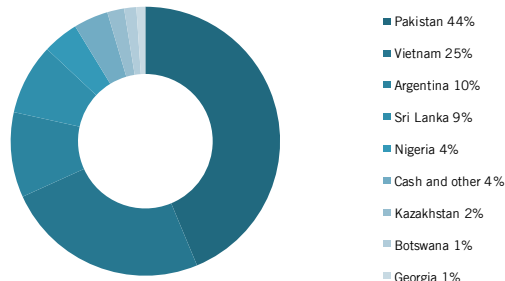
The fund

The Fund rose 3.2% during the month, which was worse than the benchmark (+4.3%). At the country level, we lost some relative performance given underweight in Morocco and lack of investments in Lebanon. The fund also saw corrections in many of its recently best performing positions after five months of strong relative performance. This was most clearly seen in Vietnam. Among individual positions, Systems Ltd (4% of the fund) and Georgia Healthcare (2%) performed particularly positive with gains of around 18% each. Among the negative positions were Century Paper, Danang Rubber and Saigon General Service. During the month the fund increased its positions in Vietnam (property developer DXG which has been under pressure from a soon to be concluded rights issue) and in Pakistan (pharmaceutical company Feroz which has come down due to a generational change in the portfolio). The fund sold a significant part of its holding in Vietnamese Hoa Phat Group after very strong price performance. For 2016 the portfolio is trading at a holdings weighted P/E of just over 10 times whereas the expected earnings growth in 2017 is just above 15%.

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



Tundra Sustainable Frontier Fund: Country allocation



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Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Vietnam Fund	157.0	0.0%	23.3%	14.7%	57.0%
Benchmark (FTSE Vietnam Index Net (SEK))	2400.4	0.8%	13.6%	5.8%	30.8%

Facts	Risk and costs*			
Inception date	2014-05-06	Active risk (Tracking error)		8.4%
Inception price	100,00	Standard deviation		16.9%
Pricing	Dagligen	Standard deviation, benchmark		16.9%
Manager	Tundra Fonder AB	Beta		0.88
Benchmark index	FTSE Vietnam Index TR (SEK)	Information ratio		1.25
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	466.1 MSEK			

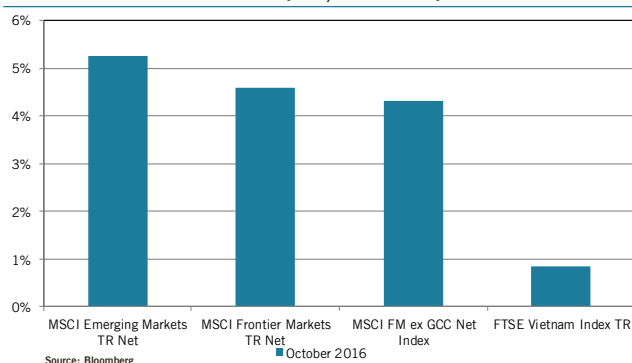
*Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

Best performers in October		Worst performers in October	
Holding	Return (SEK)	Holding	Return (SEK)
Dong Hai Jsc Of	15.5%	Danang Rubber Js	-11.7%
Hung Vuong Corp	11.8%	Nam Kim Steel Js	-8.4%
Pha Lai Thermal	9.4%	Hoa Phat Grp Jsc	-6.3%
Dat Xanh Real Es	9.0%	Vndirect Securit	-5.4%
Vietnam Electric	8.8%	Southern Rubber	-5.1%

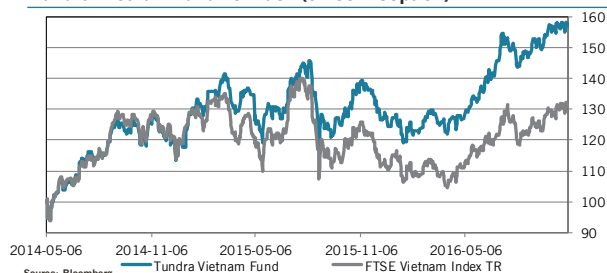
Five largest holdings						Return 1 month (SEK)
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	
Vingroup Jsc	9.1%	Vietnam	37.7	39.1	-	0.3%
Hoa Phat Grp Jsc	6.8%	Vietnam	9.8	6.2	4.3%	-6.3%
Viet Nam Dairy P	6.6%	Vietnam	28.1	22.7	3.6%	6.6%
Fpt Corp	6.1%	Vietnam	10.9	9.7	4.8%	-2.0%
Saigon Sec.	4.9%	Vietnam	10.6	15.3	4.9%	3.8%

Source: Bloomberg, Tundra Fonder

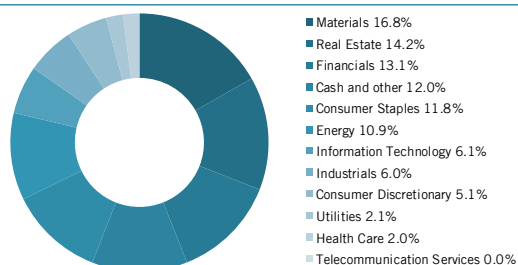
Various frontier market indices (SEK, total return)



Tundra Vietnam Fund vs index (since inception)



Tundra Vietnam Fund: Sector allocation



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The market

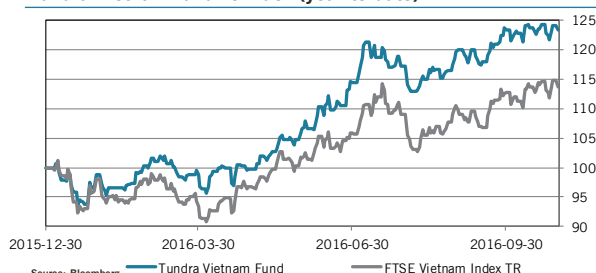
FTSE Vietnam TR (SEK) rose 0.8% in October, compared to MSCI Frontier Market xGCC Net (SEK), which rose 4.3% and MSCI Emerging Markets Net (SEK) that rose 5.3%. In local currency the market however pulled back 4% only saved by the SEK weakening by 5% against USD. The market is in consolidation mode after recent months' strong move upwards. Average daily traded value came down slightly to USD128m while foreign investors turned small buyers with USD 5.45m. More foreign activity was evident after stock prices came down to perceived attractive levels. We have entered reporting season and Q3 and 9M results are being released. Most of the blue chips continued to show strong results with high growth in bottom line. The energy sector still saw profits come down though.

In terms of macro economy, most indicators were stable. October PMI stayed at a positive level of 51.7 (down from 52.9 in September), hinting that manufacturing sector continue to improve. CPI increased 0.83% m-o-m (4.09% y-o-y), still at manageable levels although increasing. The Government might soon have to pay more attention in controlling CPI should it approach 5%. Main risk for November right now looks to be global equity markets, where the US presidential election is a key event.

The fund

The fund was flat during the month compared to the benchmark index which gained 0.8%. Our off benchmark bets in Consumer Discretionary, Energy and IT were the main reasons for the underperformance. In addition, our underweights in Consumer Staples and Real Estate also contributed negatively. However our underweight in Financials and our overweight in Materials added positive relative returns. No new stocks were added in the fund during October.

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
Emerging Markets				
MSCI Emerging Markets TR Net	5,3	9,6	25,0	15,9
Brazil	19,7	21,5	101,2	81,0
Chile	13,3	8,5	30,7	20,9
Colombia	3,7	13,5	36,5	13,7
The Philippines	2,1	-5,0	11,6	7,3
India	4,5	5,1	15,5	10,3
Indonesia	5,0	9,1	35,8	40,3
China (A shares)	6,0	7,4	-9,1	-6,6
China (H shares)	3,0	13,7	14,3	7,7
Malaysia	4,9	4,5	12,2	13,4
Egypt	13,9	15,0	35,0	26,2
Mexico	10,2	8,4	11,2	1,3
Peru	3,9	-0,2	60,3	38,5
Poland	8,6	9,1	5,6	-6,5
Russia	5,7	12,9	41,2	25,8
South Africa	4,0	1,8	30,5	7,6
South Korea	1,2	6,2	18,9	11,5
Taiwan	6,5	11,9	32,6	25,0
Thailand	2,6	2,9	34,9	19,0
Czech Republic	9,8	1,4	9,5	0,5
Turkey	4,2	5,1	10,2	-0,8
Hungary	11,8	14,9	39,5	51,5
United Arab Emirates	0,5	1,1	19,1	7,2
Qatar	2,8	1,9	10,6	-1,7
Latin America	15,4	15,7	56,6	41,4
Asia	3,4	9,0	19,0	13,0
EMEA	4,8	5,4	25,9	8,6
Frontier Markets				
MSCI Frontier Markets 100 TR Net	4,6	6,4	9,4	2,8
MSCI Frontier Markets xGCC Net	4,3	6,6	11,9	4,8
Argentina	4,2	7,6	26,3	9,0
Bangladesh	3,5	5,7	12,5	7,2
Bosnia & Herzeg.	0,1	5,8	11,0	8,6
Bulgaria	11,5	24,9	17,8	17,7
Ecuador	5,3	6,1	0,1	-2,7
Morocco	9,6	12,2	36,4	30,8
Estonia	3,6	-1,3	21,7	25,8
Tunisia	2,3	4,2	10,8	0,0
Ghana	2,3	0,9	-9,7	-11,8
Kazakhstan	4,8	10,4	15,7	12,9
Kenya	4,0	4,9	14,1	15,8
Croatia	3,4	16,1	32,3	25,9
Kuwait	6,9	7,6	1,2	-2,6
Latvia	3,1	15,6	29,1	26,0
Lithuania	1,6	3,3	3,3	1,5
Mauritius	4,3	9,6	18,7	11,7
Mongolia	-4,1	-22,0	-23,6	-27,0
Nigeria	1,1	5,1	-28,3	-34,6
Pakistan	3,3	4,4	27,1	18,3
Jordan	5,4	0,0	1,3	3,3
Romania	-0,6	4,4	20,8	12,2
Serbia	12,7	12,7	14,8	5,3
Slovakia	5,3	6,0	17,2	16,3
Slovenia	-2,2	1,4	2,2	1,3
Sri Lanka	2,7	11,5	4,2	1,0
Ukraine	7,7	6,7	32,3	24,9
Vietnam	0,8	4,2	13,6	5,8
Developed Markets				
MSCI World TR Net	3,0	4,0	10,0	7,3
Hong Kong	3,8	9,1	19,0	15,0
Nasdaq	2,6	5,9	9,7	8,9
Nikkei 225	6,4	8,9	11,5	9,4
OMX Stockholm 30	-0,4	3,5	3,0	-0,3
S&P 500	3,0	3,1	10,4	8,4
Singapore	0,8	0,7	7,7	2,0
STOXX Europe 600	1,6	3,1	2,6	-1,9
Sectors (Emerging Markets)				
Financials	7,2	12,2	24,9	15,6
Industrials	5,6	6,2	12,8	2,3
Consumer Staples	2,8	3,7	18,2	9,8
Energy	10,5	16,6	42,3	28,6
IT	3,7	13,8	32,4	26,5
Utilities	5,3	2,0	19,3	11,0
Healthcare	3,2	1,7	8,1	1,8
Materials	7,9	8,8	39,9	27,1
Consumer Discretionary	3,4	7,9	18,0	9,8
Telecom	3,6	1,2	14,6	4,3

	Return in USD (%)			
	October	3 months	Year to date	12 months
Soft commodities				
Coffe	8,3	12,3	32,8	35,7
Cocoa	-0,9	-3,5	-15,3	-16,1
Corn	5,3	3,5	-7,4	-13,1
Palm oil	-2,1	12,1	23,6	26,4
Rice	-0,3	-0,9	-14,6	-15,1
Soya	5,5	0,9	13,2	13,0
Wheat	3,5	-4,5	-17,9	-24,1
Energy				
Cool (cooking coal, China)	11,1	48,1	69,0	30,4
Cool (steam coal, South Africa)	26,8	42,3	89,5	77,6
Natural Gas (Henry Hub)	4,1	5,2	36,7	30,4
Oil (Arabian Light)	3,4	16,5	47,2	0,0
Oil (Brent)	-1,5	13,8	32,5	-2,5
Oil (WTI)	-2,9	12,6	28,0	0,6
Fertilizers				
Ammonia	0,0	-22,2	-47,5	-51,7
Phosphorus	0,0	-2,3	-7,4	-7,4
Potash	0,0	16,3	-18,0	-23,1
Sulfur	7,7	7,7	-36,4	-36,4
Urea	10,4	15,7	-5,8	-15,5
Metals				
Aluminum	3,6	5,5	13,5	17,3
Gold	-3,2	-5,7	20,1	11,5
Copper	-0,2	-1,5	2,5	-5,1
Nickel	-0,9	-1,5	20,4	4,1
Palladium	-14,5	-13,3	12,4	-9,0
Platinum	-5,0	-15,0	12,0	-0,9
Silver	-7,1	-12,4	28,6	14,6
Steel	5,5	9,9	45,2	47,2
Zinc	3,4	9,6	50,6	43,7

	SEK per 1 local currency				October	Change (%)		
	2016-10-31	2016-07-29	2015-12-30	2015-10-30		3 months	Year to date	12 months
Argentina (Peso)	0,5950	0,5703	0,6487	0,8939	6,1	4,3	-8,3	-33,4
Bangladesh (Taka)	0,150	0,1092	0,1074	0,1093	4,9	5,2	7,1	5,2
Bosnia Hercegovina (Mark)	5,0556	4,8920	4,6980	4,7801	2,5	3,3	7,6	5,8
Brazil (Real)	2,8235	2,6342	2,1274	2,2050	7,3	7,2	32,7	28,1
Bulgaria (Lev)	5,0550	4,8895	4,6972	4,7841	2,5	3,4	7,6	5,7
Chile (Peso) X100	0,0138	0,0131	0,0119	0,0123	5,7	5,8	16,1	12,3
Colombia (Peso) x100	0,0030	0,0028	0,0027	0,0029	0,7	7,6	13,1	2,2
Egypt (Pound)	10,150	0,9631	1,0754	1,0594	5,0	5,4	-5,6	-4,2
Euro	9,8939	9,5572	9,1913	9,3958	2,7	3,5	7,6	5,3
Philippines (Peso)	0,1861	0,1815	0,1793	0,1815	5,1	2,5	3,8	2,6
United Arab Emirates (Dirham)	2,4550	2,3300	2,2923	2,3147	5,0	5,4	7,1	6,1
Hong Kong (Dollar)	1,1627	1,1032	1,0863	1,0969	5,0	5,4	7,0	6,0
India (Rupee)	0,1350	0,1277	0,1268	0,1303	4,7	5,7	6,5	3,7
Indonesia (Rupia) X100	0,0007	0,0007	0,0006	0,0006	5,0	5,9	13,2	11,2
Japan (Yen) X100	0,0859	0,0839	0,0698	0,0705	14	2,4	23,0	21,8
Kazakhstan (Tenge)	0,0269	0,0243	0,0248	0,0304	5,1	10,6	8,2	-11,5
Kenya (Shilling)	0,0889	0,0844	0,0823	0,0833	4,8	5,3	8,0	6,7
China (Renminbi)	1,3308	1,2898	1,2973	1,3458	3,4	3,2	2,6	-1,1
Croatia (Kuna)	13,166	1,2782	1,2028	1,2334	2,6	3,0	9,5	6,7
Kuwait (Dinar)	29,7417	28,3193	27,7369	28,0563	4,4	5,0	7,2	6,0
Latvia (Lati)	14,0675	13,6074	13,0720	13,3146	2,4	3,4	7,6	5,7
Malaysia (Ringgit)	2,1497	2,1048	1,9621	1,9766	3,6	2,1	9,6	8,8
Morocco (Dirham)	0,9142	0,8787	0,8499	0,8642	3,6	4,0	7,6	5,8
Mexico (Peso)	0,4781	0,4564	0,4856	0,5152	7,9	4,8	-1,6	-7,2
Mongolia (Togrog)	0,0038	0,0041	0,0042	0,0043	15	-7,9	-9,8	-10,7
Nigeria (Naira)	0,0290	0,0268	0,0423	0,0427	6,4	8,4	-31,4	-32,1
Pakistan (Rupee)	0,0859	0,0816	0,0803	0,0806	4,4	5,2	6,9	6,5
Peru (new Sol)	2,6809	2,5531	2,4691	2,5865	5,6	5,0	8,6	3,6
Poland (Zloty)	2,2955	2,1951	2,1583	2,2016	2,2	4,6	6,4	4,3
Qatar (Rial)	2,4763	2,3501	2,3119	2,3357	5,0	5,4	7,1	6,0
Romania (Lei)	2,1942	2,1442	2,0284	2,1095	1,1	2,3	8,2	4,0
Russia (Rubel)	0,1423	0,1298	0,1147	0,1329	4,2	9,6	24,1	7,0
Serbia (Dinar)	0,0803	0,0775	0,0755	0,0777	2,4	3,6	6,4	3,4
Singapore (Dollar)	6,4792	6,3881	5,9491	6,0676	2,9	14	8,9	6,8
Sri Lanka (Rupee)	0,0611	0,0588	0,0584	0,0603	4,3	3,8	4,6	1,3
Sydafrika (rand)	0,6678	0,6166	0,5411	0,6151	6,7	8,3	23,4	8,6
South Korea (Won)	0,0079	0,0076	0,0072	0,0075	1,1	3,2	9,8	5,8
Taiwan (Dollar)	0,2857	0,2678	0,2556	0,2608	4,3	6,7	11,8	9,5
Thailand (Bhat)	0,2574	0,2461	0,2336	0,2387	3,7	4,6	10,2	7,8
Czech (Koruny)	0,3658	0,3537	0,3400	0,3454	2,4	3,4	7,6	5,9
Turkey (Lira)	2,9131	2,8634	2,8802	2,9166	1,8	17	11	-0,1
Ukraine (Hryvnia)	0,3524	0,3449	0,3501	0,3705	6,5	2,2	0,7	-4,9
Hungary (Forint)	0,0320	0,0307	0,0293	0,0301	2,3	4,2	9,2	6,2
USD	9,0171	8,5581	8,4198	8,5019	5,0	5,4	7,1	6,1
Vietnam (Dong) X1000	0,0004	0,0004	0,0004	0,0004	4,9	5,2	7,8	6,1

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