

MONTHLY LETTER NOVEMBER 2016



TUNDRA  FONDER

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Return (EUR)	1 month	YTD	1 year	Inception
Tundra Pakistan Fund	7.9%	22.8%	21.4%	237.5%
Benchmark (MSCI Pakistan Net (EUR))	7.1%	26.5%	25.3%	145.8%

Facts		Risk and costs*	
Inception date	2011-10-14	Active risk (Tracking error)	7.7%
Pricing	Daily	Standard deviation	19.0%
Manager	Tundra Fonder AB	Standard deviation, benchmark	22.8%
Benchmark ind	MSCI Pakistan Net (EUR)	Beta	0.79
ISIN	SE0006 789 905	Information ratio	.52
IBAN	SE925000000058648288185	Risk level	5 of 7 (refer to KIID for more info)
BIC	ESSESESS	Management fee/year (all inclusive)**	2.5%
Custodian	SEB	AuM	116.2 MEUR
Auditor	PWC		

* Risk indicators are based on monthly rolling 24 months of return data.

** The management fee includes variable custody fees, audit, legal and marketing expenses.

Best performers in November		Worst performers in November	
	Return (EUR)		Return (EUR)
Tpl Trakker Ltd	42.9%	Tpl Properties	-15.0%
Nishat Chunian	32.1%	Murree Brewery	-6.8%
Millat Tractors	31.0%	Netsol Techn.	1.1%
Efu Life Assur.	29.2%	Shezan Intl	1.2%
Faysal Bank	28.8%	Natl Bk Pakistan	1.7%

Five largest holdings

Holding	Portfolio weight	Country	P/E 15E	P/E 16E	Yield	Return 1 month (EUR)
Habib Bank	6.3%	Pakistan	9.5	9.9	5.7%	6.7%
United Bank	5.4%	Pakistan	9.8	9.3	5.7%	8.6%
Mcb Bank Ltd	5.3%	Pakistan	9.4	10.5	6.6%	7.1%
IBL	4.3%	Pakistan	-	-	-	-
Meezan Bank	3.8%	Pakistan	11.2	11.1	4.6%	13.1%

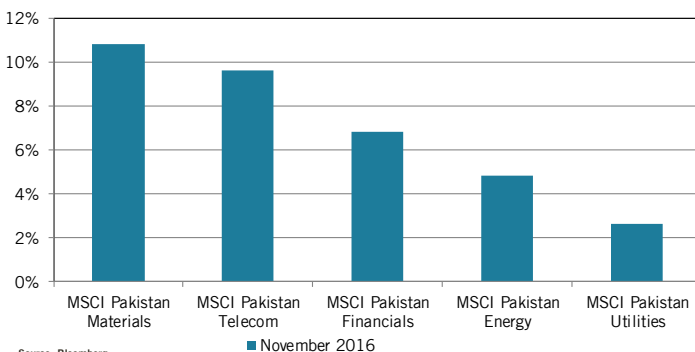
Source: Bloomberg, Tundra Fonder

Fund Objective

The objective of the fund is to provide investors financial exposure to economic development in Pakistan and to provide its unit holders with a maximum long-term return on their investment given the fund's level of risk. At least 90 percent of the net asset value of the fund will be invested in equities and equity-related transferable securities issued by companies that have their registered office in, or that conduct their principal operating activities in, Pakistan. The fund may invest up to 10 percent of the net asset value of the fund in equity and equity-related transferable securities issued by companies that do not have their registered office in, or do not conduct their principal operating activities in, Pakistan. Notwithstanding the above restrictions, the fund may always hold the cash and cash equivalents necessary to conduct management of the fund, but to a maximum of 20 percent of the net asset value of the fund. The fund may invest up to 10 percent of the net asset value in other funds.

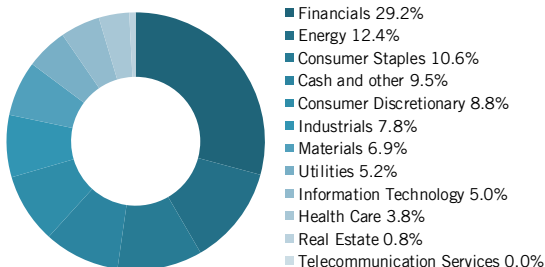
Given the risk profile of the fund the fund management company wishes to particularly emphasize the importance of investing only capital that can be tied up for a very long period in this fund.

Pakistan sector indices (EUR, total return)

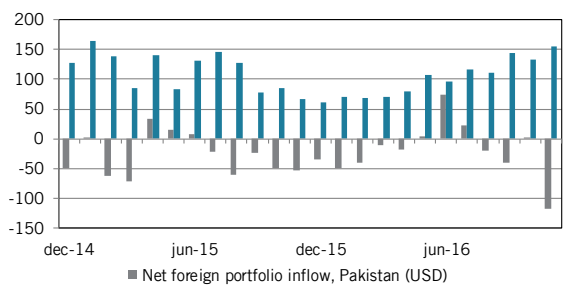


Source: Bloomberg

Tundra Pakistan Fund: Sector allocation



Foreign flows and turnover (Pakistan Stock Exchange)



Source: Pakistan Stock Exchange, NCCEL

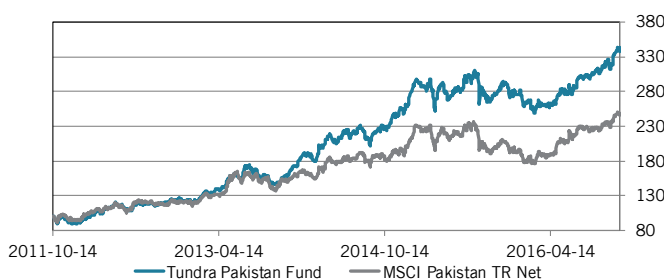
Monthly Market Comment

MSCI Pakistan Net (EUR) gained 7.1% during November compared to MSCI Emerging Markets Net (EUR) which lost 1.3%. Market touched its all-time-high during the month despite selling of USD 117m by foreign investors, the highest monthly outflow seen since early 2009. Daily traded value stood at USD 156m. Subsiding political concerns, as the government and opposition party (PTI) resolved to let the Supreme Court probe Panama leak revelations, was the main trigger for local investors to turn bullish again. Secondly, smooth transition of Army chief, amid several conspiracy theories of rift between civil-military relations, was another positive factor for the investors. Market also celebrated initiation of trade under CPEC program as first cargo arrived in Gwadar port, destined for Middle East and Africa. China and Pakistan also launched direct rail and sea freight service. S&P raised the long term credit rating of Pakistan from B- to B with a stable outlook. Something to particularly consider is the recent very strong local buy flows in the market, which has dominated the negative foreign flows. This is very unusual as foreign selling has traditionally scared local market participants. We are somewhat doubtful as to how much more foreign offers are out there and should foreigners step away from the offer side, or turn buyers, it would open up for a potentially very strong run in the market.

Monthly Fund Comment

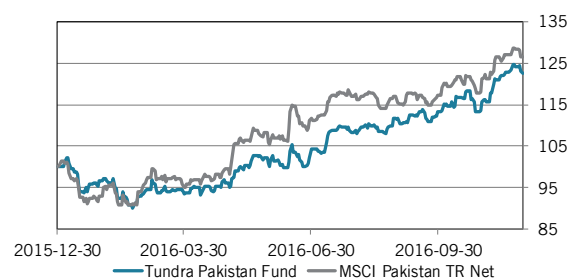
The fund rose 7.9% during the month outperforming MSCI Pakistan which gained of 7.1%. Overweight in Consumer Discretionary (mainly textiles rising on potential export package), Industrials (TPL and PAEL) and Information Technology (SYS) contributed to the positive relative performance. In addition, underweight in Financials added to the performance. However, Materials (LUCK) performed negatively for the fund. During the month, the fund added exposure in gas Utilities.

Tundra Pakistan Fund vs index (since inception)



Source: Bloomberg

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



Source: Bloomberg

Tundra Pakistan Fund – Monthly return (EUR)

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011													
2012	7.3%	6.5%	6.6%	3.6%	0.7%	-4.8%	9.1%	2.1%	-3.3%	-4.9%	-1.8%	-3.9%	-10.2%
2013	-0.9%	10.5%	0.4%	4.4%	12.6%	-2.8%	10.6%	-9.9%	-3.1%	0.5%	7.5%	7.7%	40.3%
2014	10.5%	-5.4%	12.4%	3.1%	6.1%	-0.7%	3.2%	-7.9%	8.7%	2.6%	5.3%	6.0%	51.2%
2015	13.3%	-3.6%	-7.1%	5.4%	-1.3%	3.1%	4.1%	-4.1%	-6.6%	5.8%	-1.3%	-1.1%	4.8%
2016	-3.6%	-2.9%	0.2%	2.9%	4.0%	3.7%	4.3%	3.1%	1.4%	0.4%	7.9%		22.8%

Source: Bloomberg

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