

Semi Annual Report

Tundra Frontier Opportunities Fund

515602-4803

2017-01-01 - 2017-06-30

Fund manager's report

Fund performance

The fund rose by 6.41% (Share class A SEK) during the first six months of the year as compared to the fund's benchmark MSCI Frontier Markets excluding GCC-countries Net (SEK) which rose 10.15%.

The Fund's net assets development

Assets under management at June 30, 2017 amounted to SEK 624.8 million, which represents an increase of SEK 185.8 million compared with SEK 439.0 million at 31 December 2016.

The value of issued fund units amounted to Class A SEK 154.4 million. As a result of the merger with Tundra Ryslandsfond where the latter's assets were absorbed by the fund additional SEK 18.6 million worth of fund units were issued, Class C SEK 592 000, Class D SEK 29.2 million, Class E SEK 38.9 million and Class F SEK 4.1 million. The value of redeemed fund shares amounted to Class A SEK 85.5 million, Class C SEK 537 000 kronor, Class D SEK 193 000, Class E SEK 2.5 million and Class F SEK 0.

The net value of new fund units issued during the period hence amounted to Class A SEK 87.5 million, Class C SEK 55 000, Class D 29 million, Class E 36.4 million and Class F SEK 4.1 million.

Market Development

Frontier markets rose by 10,2% during the first six months of the year. The Swedish Krona strengthened by nearly 7% against the USD during the first six months of the year. As many of the more important frontier markets' currencies closely follow the USD it meant that the performance measured in USD was significantly stronger. There were however significant discrepancies within the underlying markets. Argentina rose by 32%, Kazakhstan rose by 22% while Pakistan fell by 11% and Bangladesh fell by 2%. As of June 1st Pakistan is no longer a frontier market as by the world's largest index provider MSCI's definitions. Significant progress in its financial markets and a deemed higher grade of stability led to the country being upgraded to the "emerging markets" category.

Outlook

The fund's most important markets had a relative weak performance during the first six months of the year. Good stock selection however mitigated losses versus the benchmark significantly. One of the fund's most important markets, Pakistan, experienced significant turbulence during the first six months. Given the proposed change of Prime Minister we believe the second half of 2017 will mean less political turbulence, despite approaching elections (due in 2018). This in turn makes it likely the strain on performance during the first half of the year will be less pronounced during the second half. It is worth noting that post Pakistan's upgrade to Emerging Markets close to 40% of the fund's net asset value is constituted by countries that are classified as Emerging Markets (Egypt being the second such market). This fact makes it likely that deviations to the fund's benchmark will continue to be large in the second half of the year.

Risks

The fund does not hedge against currency risks, which could come to affect the return in SEK if the currencies in the frontier markets weakens. The central banks in many frontier markets compare its own currency to the US dollar, which creates an indirect connection and risk against the US dollar's development, where a weaker US dollar could affect share prices negatively and vice versa. The fund has relatively high weights in Pakistan, Vietnam, Egypt, Sri Lanka and Bangladesh. Political instability in one or several of these countries could affect the return of the fund negatively.

Derivatives

According to the fund statutes, the fund has the right to trade in options, futures and other derivatives, and the right to lend securities. The fund had no exposure to derivatives, or similar instruments during the period.

Financial overview

Main portfolio

	AUM, SEK	NAV	No. of issued fund units	Dividend	Performance, %	Performance index, %
2017-06-30	624 805 468	-	3 537 409,47	-	-	-
2016-12-31	439 046 053	-	2 641 116,78	-	-	-
2015-12-31	345 307 931	-	2 379 389,86	-	-	-
2014-12-31	916 615 995	-	6 032 099,74	-	-	-
2013-12-31	253 860 513	-	2 154 423,88	-	-	-

Fund Share Class A SEK

		NAV	No. of issued fund units	Dividend	Performance, %	Performance index, %
2017-06-30	-	176,87	2 916 415,53	-	6,41	10,15
2016-12-31	-	166,21	2 439 445,94	-	14,55	10,61
2015-12-31	-	145,10	2 178 908,18	-	-4,51	-6,83
2014-12-31	-	151,96	5 964 830,02	-	28,95	17,33
2013-12-31	-	117,84	2 113 195,82	-	17,84 1)	10,95 1)

Index: MSCI Frontier Markets xGCC Net TR (SEK)

1) Period 2013-04-02 - 2013-12-31

Fund Share Class C EUR

		NAV	No. of issued fund units	Dividend	Performance, %	Performance index, %
2017-06-30	-	18,41	188 693,92	-	5,80	9,56
2016-12-31	-	17,40	188 378,80	-	9,71	5,92
2015-12-31	-	15,86	187 189,64	-	-1,49	-4,20
2014-12-31	-	16,10	67 269,72	-	21,33	10,23
2013-12-31	-	13,27	41 228,06	-	5,40 2)	2,06 2)

Index: MSCI Frontier Markets xGCC Net TR (EUR)

2) Period 2013-06-12 - 2013-12-31

Fund Share Class D USD

		NAV	No. of issued fund units	Dividend	Performance, %	Performance index, %
2017-06-30	-	20,37	184 865,01	-	14,95	19,04
2016-12-31	-	17,72	6 902,26	-	6,24	2,52
2015-12-31	-	16,68	6 902,26	-	-11,79 3)	-13,61 3)

Index: MSCI Frontier Markets xGCC Net TR (USD)

3) Period 2015-04-10 - 2015-12-31

Fund Share Class E NOK

		NAV	No. of issued fund units	Dividend	Performance, %	Performance index, %
2017-06-30	-	175,99	217 968,02	-	12,30 4)	15,02 4)

Index: MSCI Frontier Markets xGCC Net TR (NOK)

4) Period 2017-01-05 - 2017-06-30

Fund Share Class F EUR

		NAV	No. of issued fund units	Dividend	Performance, %	Performance index, %
2017-06-30	-	18,41	29 466,99	-	5,80	9,56
2016-12-31	-	17,40	6 389,78	-	9,71	5,92
2015-12-31	-	15,86	6 389,78	-	1,34 5)	2,88 5)

Index: MSCI Frontier Markets xGCC Net TR (EUR)

5) Period 2015-10-16 - 2015-12-31

Balance Sheet

<i>In SEK</i>	<i>Note</i>	<i>2017-06-30</i>	<i>2016-12-31</i>
Assets			
Transferable securities		592 953 328	429 545 041
Total	1	592 953 328	429 545 041
Bank accounts		45 218 937	14 645 884
Pre-paid expenses and accrued income		519 184	524 174
Other assets		10 295	907
Total assets		638 701 744	444 716 006
Liabilities			
Accrued expenses and deferred income		1 301 626	3 545 186
Other liabilities		12 594 650	2 124 767
Total liabilities		13 896 276	5 669 953
Total Net Assets	1,2	624 805 468	439 046 053

Accounting principles and valuation of financial instruments

Amounts in SEK unless otherwise stated

Accounting principles

The Fund applies the Mutual Funds Act, 2004: 46 and the Financial Supervisory Authority of accounting for mutual funds 2013: 9 and follows the Swedish Fund Associations guidelines.

Valuation of financial instruments

The financial instruments are valued at market value according to the following order.

1. The financial instruments traded in an active market will be valued on the closing price at the balance sheet date if it is not a trading day, the most recent trading day prior to the closing date.
2. If the financial instrument is not traded in an active market, the market value is derived from information from similar transactions that have taken place under market conditions.
3. Unless method 1 or 2 can be used, or misleading the market value determined by an established market valuation model.

Key Figures

The Fund follows the Swedish Fund Associations guidelines of key performance indicators

Notes

Note 1 Financial instruments

As of June 30th 2017.

Holdings

Sector	Number held	Value SEK	Share %
Transferable securities			
Category 1			
AISHA STEEL MILLS LTD, Pakistan, PKR	787 100	1 289 422	0,21
ARABIAN CEMENT CO, Egypten, EGP	1 900 000	8 148 867	1,30
BIM SON CEMENT JSC, Vietnam, VND	1 100 000	6 160 798	0,98
EZZ STEEL, Egypten, EGP	580 000	5 611 824	0,89
HOA PHAT GROUP JSC, Vietnam, VND	1 760 000	20 889 595	3,33
HOA PHAT GROUP RIGHT, Vietnam, VND	1 000 000	793 745	0,13
SUEZ CEMENT CO, Egypten, EGP	1 000 000	11 773 480	1,87
TOKYO CEMENT CO LANK, Sri Lanka, LKR	1 315 592	5 495 507	0,87
TOKYO CEMENT ORD, Sri Lanka, LKR	2 520 000	9 640 127	1,53
TRI-PACK FILMS LTD, Pakistan, PKR	333 700	6 008 489	0,96
VIETNAM ELEC EQUIP, Vietnam, VND	1 810 800	15 716 423	2,50
Material		91 528 277	14,57
ACCESS ENGINEERING P, Sri Lanka, LKR	6 754 837	9 541 594	1,52
CII ORD, Vietnam, VND	260 600	3 595 711	0,57
DIEN QUANG JSC, Vietnam, VND	53 620	1 004 351	0,16
EGYPT KUWAIT HOLDING CO SAE, Egypten, USD	1 600 000	8 631 194	1,37
ELSEWEDY ELECTRIC CO, Egypten, EGP	290 000	12 681 913	2,02
HEMAS HOLDINGS PLC, Sri Lanka, LKR	561 227	4 747 338	0,76
JOHN KEELLS HLDG ORD, Sri Lanka, LKR	1 166 249	11 461 244	1,82
Industrial		51 663 345	8,23
DRC ORD, Vietnam, VND	670 000	7 964 714	1,27
GB AUTO, Egypten, EGP	19 645 000	19 555 932	3,11
GUL AHMED TEXTILE, Pakistan, PKR	1 062 000	3 500 011	0,56
MOBILE WORLD INVESTMENT GROUP, Vietnam, VND	102 320	4 079 776	0,65
SAIGON GENERAL SERVI, Vietnam, VND	482 290	9 391 499	1,50
Consumer discretionary		44 491 933	7,08
CEYLON THEATRES ORD, Sri Lanka, LKR	399 174	3 510 389	0,56
JUHAYNA FOOD INDUSTRIES, Egypten, EGP	1 900 000	6 893 835	1,10
KIDO FROZEN FOODS JS, Vietnam, VND	240 000	5 296 581	0,84
MASAN GROUP CORP, Vietnam, VND	900 000	14 020 360	2,23
OBOUR LAND FOR FOOD INDUSTRIES, Egypten, EGP	845 000	7 173 520	1,14
RICHARD PIERIS & CO, Sri Lanka, LKR	3 453 942	1 974 337	0,31
VIETNAM DAIRY PRODUC, Vietnam, VND	302 800	17 700 252	2,82
Consumer staples		56 569 274	9,01
ACTIVE FINE CHEMICAL, Bangladesh, BDT	4 900 000	25 898 277	4,12
EGYPTIAN INTERNATIONAL PHARM, Egypten, EGP	126 765	6 515 899	1,04
FEROZESONS LABORATORIES, Pakistan, PKR	472 800	14 742 064	2,35

RENATA ORD, Bangladesh, BDT	15 265	1 844 981	0,29
SQUARE PHAR ORD, Bangladesh, BDT	800 000	24 149 720	3,84
Health care		73 150 942	11,65
ACC BANK OF NIG ORD, Nigeria, NGN	27 350 000	5 851 185	0,93
ADAMJEE INSUR ORD, Pakistan, PKR	700 000	3 876 844	0,62
ALLIED BANK ORD, Pakistan, PKR	1 100 000	7 947 249	1,27
BANCO MACRO ADR REP, Argentina, USD	23 000	17 872 387	2,85
BANK AL FALAH ORD, Pakistan, PKR	1 059 000	3 409 255	0,54
BBVA BANCO FRAN ADR, Argentina, USD	60 000	9 591 245	1,53
BRAC BANK LTD, Bangladesh, BDT	3 800 000	32 111 190	5,11
CREDIT AGRICOLE, Egypten, EGP	600 000	12 311 218	1,96
DIAMOND BANK ORD, Nigeria, NGN	25 500 000	727 387	0,12
FBN HOLDINGS ORD, Nigeria, NGN	5 273 023	773 898	0,12
GRUPO FINANCIERO ADR, Argentina, USD	50 000	17 970 415	2,86
GRUPO SUPERVIELLE SA, Argentina, USD	47 000	7 162 542	1,14
HABIB BANK LTD ORD, Pakistan, PKR	200 000	4 324 735	0,69
JSC HALYK BANK GDR, Kazakstan, USD	213 034	16 627 648	2,65
LETSHEGO, Botswana, BWP	2 000 000	3 486 702	0,56
MEEZAN BANK, Pakistan, PKR	3 628 489	22 763 128	3,62
MILITARY COM BANK, Vietnam, VND	903 882	7 811 511	1,24
SAMPATH BANK ORD, Sri Lanka, LKR	332 659	5 256 662	0,84
UNITED BANK FOR AFRICA ORD, Nigeria, NGN	58 036 069	11 668 446	1,86
WEST AF PROV INS ORD, Nigeria, NGN	1 771 156	20 372	0,00
ZENITH INTL BANK ORD, Nigeria, NGN	30 000 000	14 416 614	2,30
Financials		205 980 632	32,79
AVANCEON LTD, USA, PKR	667 950	2 429 537	0,39
FPT CORP, Vietnam, VND	1 278 363	23 494 447	3,74
SYSTEMS LTD, Pakistan, PKR	2 153 500	13 128 172	2,09
Information technology		39 052 156	6,22
AN PHU REAL ESTATE, Vietnam, VND	16 946	62 854	0,01
TPL PROPERTIES LTD, Pakistan, PKR	4 637 000	4 565 982	0,73
VINGROUP JSC ORD, Vietnam, VND	2	32	0,00
Real estate		4 628 868	0,74
Sum Category 1		567 065 427	90,28
Category 5			
DAEWOO PAK EXPRESS, Pakistan, PKR	1 345 000	7 708 553	1,23
Consumer discretionary		7 708 553	1,23
Sum Category 5		7 708 553	1,23
Category 7			
INTERNATIONAL BRANDS, Pakistan, PKR	3 388 176	18 179 347	2,89
Consumer staples		18 179 347	2,89
Sum category 7		18 179 347	2,89
Total transferable securities		592 953 328	94,40

Total securities	592 953 328	94,40
Other assets and liabilities	31 852 140	5,60
Total net assets	624 805 468	100,00

The Fund's holdings of securities have been classified into the following categories:

1. Transferable securities admitted on a regulated market or an equivalent market outside the EEA.
2. Other financial instruments trading on a regulated market or an equivalent market outside the EEA.
3. Transferable securities that are the subject of regular trading in other markets that are regulated and open to the public.
4. Other financial instruments that are regularly traded on any other market that is regulated and open to the public.
5. Transferable securities within one year from the issue are being admitted to trading on a regulated market or an equivalent market outside the EEA.
6. Transferable securities within one year from the issue will become subject to regular trading on any other market.
7. Other financial instruments.

Note 2 Changes in Net assets

	<i>2017-01-01- 2017-06-30</i>	<i>2016-01-01- 2016-12-31</i>
Net assets start of year	439 046 053	345 307 931
Fund Share Class A SEK		
Issued fund units	154 369 840	120 800 608
Redeemed fund units	-85 510 727	-74 780 269
Added in fund merger (Rysslandsfond)	18 693 590	-
Sum	87 552 703	46 020 339
Fund Share Class C EUR		
Issued fund units	591 998	172 385
Redeemed fund units	-536 621	-
Sum	55 377	172 385
Fund Share Class D USD		
Issued fund units	29 186 850	21 590 595
Redeemed fund units	-193 092	-25 178 181
Sum	28 993 758	-3 587 586
Fund Share Class E NOK		
Issued fund units	38 944 042	-
Redeemed fund units	-2 508 294	-

Tundra Frontier Opportunities Fund			9
515602-4803			
Sum	36 435 748		-
Fund Share Class F EUR			
Issued fund units	4 135 396		-
Redeemed fund units	-		-
Sum	4 135 396		-
Net result according to income statement	28 586 433	51 132 984	
Net Assets at end of the period	624 805 468	439 046 053	