

# MONTHLY LETTER JANUARY 2016



TUNDRA  FONDER

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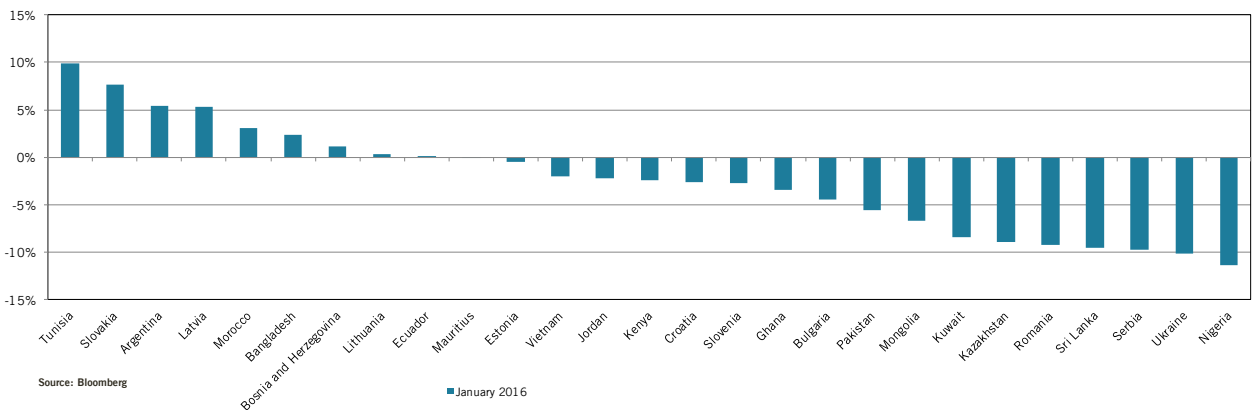
Frontier markets fell 3.0% during the first month of the year. A slowdown in China and a falling oil price dominated the development. PBOC now appears more prone to seek assistance from a devaluation of the yuan. The currency traded at its weakest level since 2011. This was also reflected in the local A share market, which on several occasions was forced to shut down due to circuit breakers. The weak Yuan creates a challenge for frontier markets as export competition increases from Chinese goods and China's import of low cost products from frontier economies now appear less attractive. The risk aversion was global and risk indicators such as the VIX index, CDS and commodity prices all traded lower while gold, a safe haven asset, rose. With the sell-off in January, frontier markets have now fallen close to 30% in USD terms since the peak in June 2014. This is also reflected in valuations – the asset class is now trading at less than 10x trailing earnings, the lowest level in several years.

Nigeria and Kazakhstan underperformed during the past month in the light of both economies being oil exporters. In Nigeria, President Buhari and the country's central bank have continued to oppose a devaluation of the Naira despite unofficial quotes now hitting a 50% discount vs the officially quoted price. The serious situation is also noticeable in the real economy as reports on lack of input products and rising price of imported goods are now available.

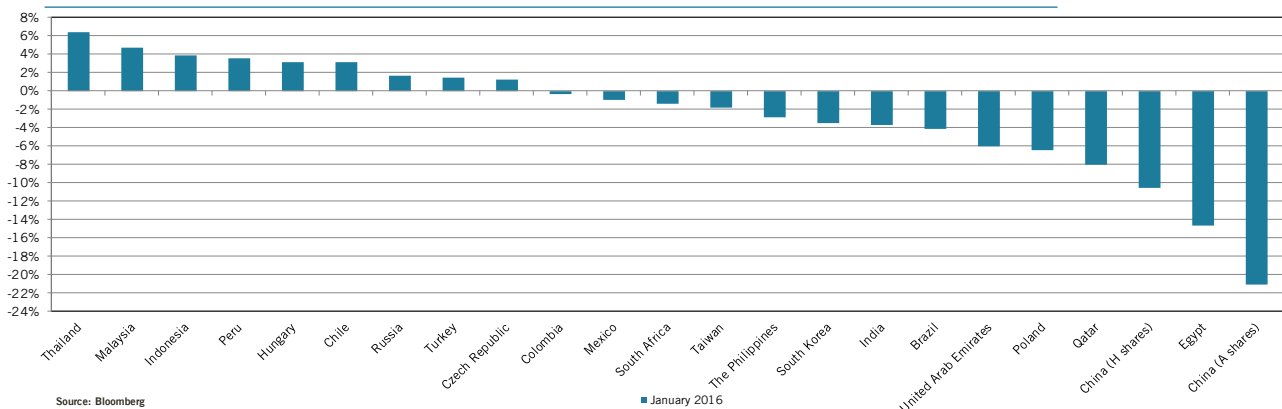
In addition to the lower oil price, domestic politics has been a dominating theme during the course of January in frontier markets. In Vietnam, the Communist Party's 12th congress where a new president and prime minister were elected took place. The event turned out to be rather uneventful and the impact on the local stock market limited. In Pakistan, General Raheel Sharif announced his intention to retire. Sharif has been considered the mastermind behind the past few years' successful fight against domestic terrorism and other violent elements in Pakistan. For some, he has been associated with an improving security situation in the country. In Argentina, which rose by 5% and hence were among the few bright spots during the month, newly elected President Macri has hit the ground running by cutting electricity subsidies, securing a USD 5bn loan from international banks to secure the country's financial stability as well as reaching an agreement with several foreign hedge funds with regards to compensation for failed bond payments in 2001. This is a step towards regaining access to international capital markets.

Frontier market funds observed a 15th month of consecutive outflows in December (the latest available data). USD 2.5bn left the asset class in 2015.

### 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	139.1	-3.7%	-3.7%	-10.6%	39.1%
Benchmark (MSCI FM xGCC Net (SEK))	4697.8	-3.0%	-3.0%	-10.0%	16.6%

Facts		Risk and costs*		
Inception date	2013-04-02	Active risk (Tracking error)	6.9%	
Inception price	100.00	Standard deviation	12.3%	
Pricing	Daily	Standard deviation, benchmark	12.8%	
Manager	Tundra Fonder AB	Beta	0.82	
Benchmark index	MSCI FM xGCC Net (SEK)	Information ratio	0.51	
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	330.7 MSEK			

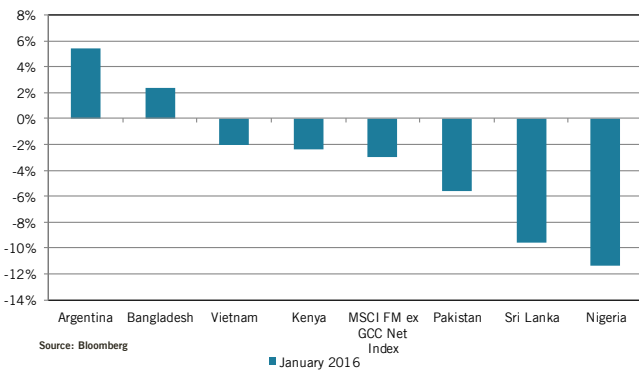
\* Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

Best performers in January		Worst performers in January	
	Return (SEK)		Return (SEK)
Nishat Chunian	17.3%	Cresud Sa	-21.6%
Netsol Technolog	16.4%	Fbn Holdings Plc	-21.4%
Pak Elektron	9.4%	Diamond Bank	-20.8%
Bim Son Cement J	9.1%	Tpl Trakker Ltd	-20.3%
Vingroup Jsc	6.4%	Tokyo Cement Co	-17.7%

Five largest holdings						Return 1
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	month (SEK)
Active Fine Chem	6.0%	Banglad.	-	-	-	0.9%
Zenith Bank Plc	5.9%	Nigeria	3.9	3.8	13.0%	-8.6%
Brac Bank Ltd	4.4%	Banglad.	-	-	3.3%	-2.0%
Fpt Corp	4.4%	Vietnam	10.2	8.3	4.3%	-1.3%
International Brands	4.1%	Pakistan	-	-	-	-

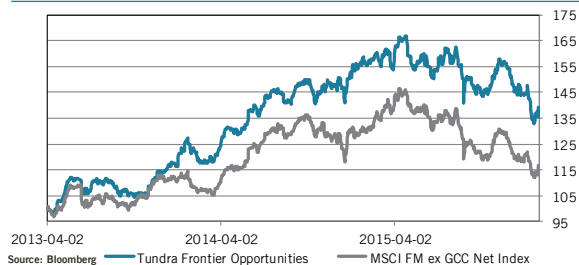
Source: Bloomberg, Tundra Fonder

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



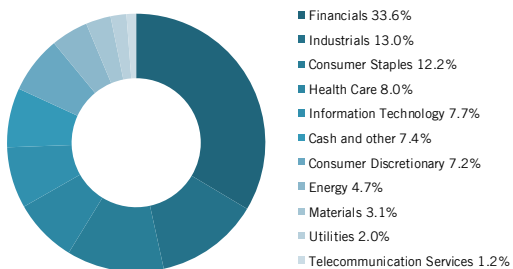
Source: Bloomberg

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



Source: Bloomberg

### Tundra Frontier Opportunities: Sector allocation



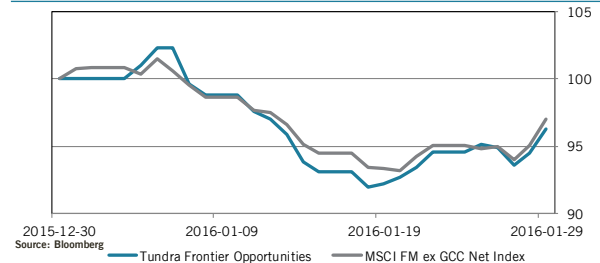
### The market

MSCI Frontier Markets xGCC Index Net (SEK) fell 3.0% in January, compared with MSCI Emerging Markets Net (SEK), which fell 4.1%. The dollar strengthened slightly more than 2% against the Swedish krona, which saved another wise weak month somewhat. Commodity-exporting countries fell sharply during the month. Nigeria lost 11% and Kazakhstan fell 9%. Argentina (+5%) and Bangladesh (+2%) managed to buck the global trend. Continued concerns about weak commodity prices, primarily oil, characterized the market during the first half of January. The price of oil (measured in Arab Light) fell from USD 31/bbl to nearly USD 22 on Jan. 21 after which the price bounced back to USD 30/barrel. The discussions in the market now center around portfolio flows. Rumors of upcoming large outflows from sovereign wealth funds are used as arguments for why seemingly cheap markets can become even cheaper. Few participants put any emphasis on the fact that the substantial fall in commodity prices represents a strong economic stimulus to most frontier markets (outside the Middle East), most of which are net importers of commodities and several of which currently are carrying out major infrastructure investments.

### The fund

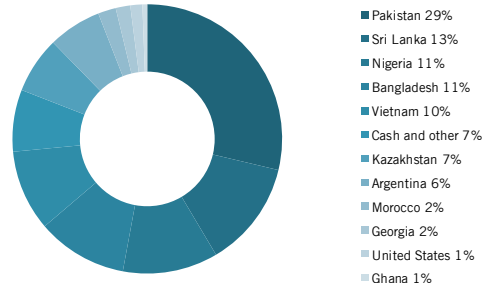
The fund dropped 3.3% in January, which was lower than the benchmark index, which dropped 3.0%. The underweight in Argentina was the single most important reason for the relatively weak performance, while the fund's overweight in Bangladesh as well as the underweight in Nigeria mitigated the drop slightly. Good stock picking in Pakistan also contributed positively. Textile manufacturer Nishat Chunian (just below 3% of the Fund) rose 17% after the government announced a stimulus program for the textile sector. The IT company Netsol (2% of the fund) continued up another 16% in the wake of the large software contract the company won in December. Negative contribution from stock selection was obtained mainly from Nigeria and Kazakhstan. Nigerian United Bank of Africa (more than 3% of the fund) fell 13% during the month in a weak market. Sri Lankan cement manufacturer Tokyo Cement fell 18% in a weak market. During the month the fund decreased its exposure in Brac Bank (Bangladesh) as well as in Vinamilk and HSG (Vietnam). The fund made its first investment in the Pakistani insurance sector during the month.

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



Source: Bloomberg

### 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	62.0	-7.4%	-7.4%	-24.6%	-38.0%
Benchmark (S&P Africa Frontier TR Index (SEK))	10646.0	-6.6%	-6.6%	-16.5%	-18.5%

Facts		Risk and costs*		
Inception date	2013-05-20	Active risk (Tracking error)		5.1%
Inception price	100	Standard deviation		20.5%
Pricing	Daily	Standard deviation, benchmark		20.6%
Manager	Tundra Fonder AB	Beta		0.96
Benchmark index	S&P Africa Frontier TR Index(SEK)	Information ratio		-1.23
Bank account	SEB 5851-1101667	Risk level	7 of 7 (refer to KIID for more info)	
ISIN	SE0005188091	Management fee/year		2.5%
PPM	878223			
Bloomberg	TUNDNIG SS			
AuM	13.2 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 January

	Return (SEK)
New Mauritius Ho	36.3%
Wapic Insurance	1.8%
Cal Bank	0.9%
Bamburi Cement	0.5%
Mcb Group Ltd	0.3%

### Worst performers in January

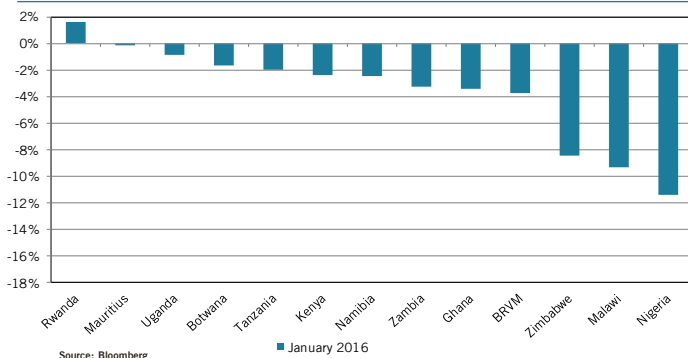
	Return (SEK)
Oando Plc	-31.0%
Uchumi Supermark	-25.5%
Fbn Holdings Plc	-21.4%
Diamond Bank	-20.8%
Dangote Cement	-20.4%

### Five largest holdings

Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Zenith Bank Plc	9.3%	Nigeria	3.9	3.8	13.0%	-8.6%
Guaranty Trust	8.5%	Nigeria	4.9	4.7	10.6%	-5.6%
United Bank Afr	7.1%	Nigeria	1.8	2.0	12.7%	-12.7%
Standard Charter	4.6%	Ghana	-	-	1.6%	-3.3%
Stanbic Ibtc Hol	4.3%	Nigeria	1.8	5.2	7.5%	-12.1%

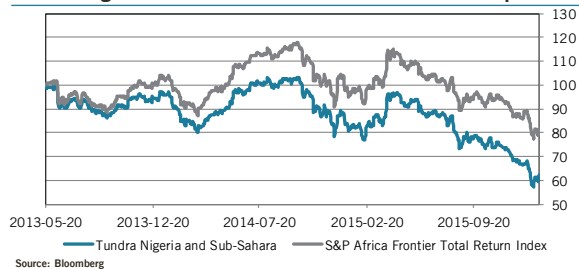
Source: Bloomberg, Tundra Fonder

### African markets (SEK, total return)



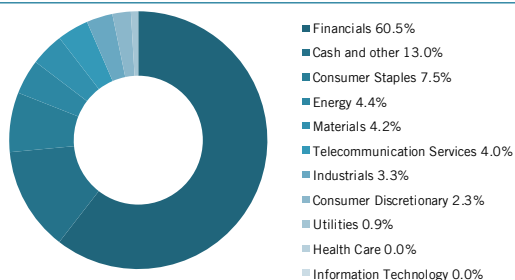
Source: Bloomberg

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



Source: Bloomberg

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



### The market

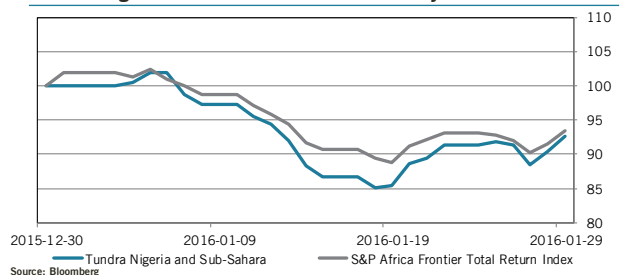
Markets in Sub-Sahara had a tough start to the year with S&P Africa Frontier Total Return Index falling 6.6%. The performance in January was worse compared to other frontier markets (MSCI Frontier Markets xGCC Net -3.0%). Nigeria retreated 11.4% in January and was the worst performing market in SSA. Kenya fared better, falling 2.4%. The best performing markets were Mauritius and Rwanda rising 3.2% and 1.6% respectively. The worst markets, except for Nigeria, were Zimbabwe and Malawi falling 8.9% and 7.9% respectively. (all changes in SEK)

The currency situation in Nigeria has escalated and the FX market have basically been shut so far in 2016. The Naira now trades around 300 per USD in the black market (compared to officially quoted prices at NGN 198/USD). More reports of layoffs, scarcity of raw material and food inflation are floating around. President Buhari and the Central Bank (independent in theory, but won't do anything without Buhari's approval) have resisted a devaluation saying it would hurt the low income part of the population the most. At the same time the government budget for 2016 includes a big rise in infrastructure spending (e.g. roads and electricity) which in a longer perspective would increase domestic production as well as create job opportunities. To finance the increased budget deficit, Nigeria has turned to the World Bank and the African Development Bank for loans amounting to USD 3.5bn. They are also planning to raise USD 1bn in Eurobonds. The international interest would however most likely be very low before a devaluation.

### The fund

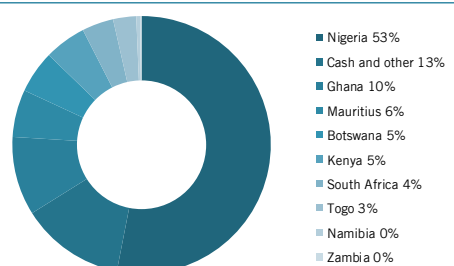
The Fund fell 7.4% in January, worse than the benchmark's -6.6%. On a country level the Fund gained most on underweights in Kenya and Mauritius, while the biggest relative losses came from overweights in Nigeria and Ghana. On a sector level the fund gained on underweights in Consumer staples and Consumer discretionary, while loosing on overweights in Financials. No major changes to the portfolio were carried out. (all changes in SEK)

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



Source: Bloomberg

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



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## Tundra Pakistan Fund (class A, SEK)

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Pakistan Fund	270.6	-2.2%	-2.2%	-10.4%	170.6%
Benchmark (MSCI Pakistan Net (SEK))	5374.9	-5.6%	-5.6%	-21.4%	84.4%

Facts		Risk and costs*		
Inception date	2011-10-14	Active risk (Tracking error)		6.8%
Inception price	100.00	Standard deviation		21.7%
Pricing	Daily	Standard deviation, benchmark		23.0%
Manager	Tundra Fonder AB	Beta		0.90
Benchmark index	MSCI Pakistan Net (SEK)	Information ratio		2.09
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	TUNDPK SS			
AUM	1196.1 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 January

	Return (SEK)
Nishat Chunian	17.3%
Maple Leaf Cemen	17.2%
Netsol Technolog	16.4%
Crescent Steel	15.1%
Kohinoor Text	11.0%

### Worst performers in January

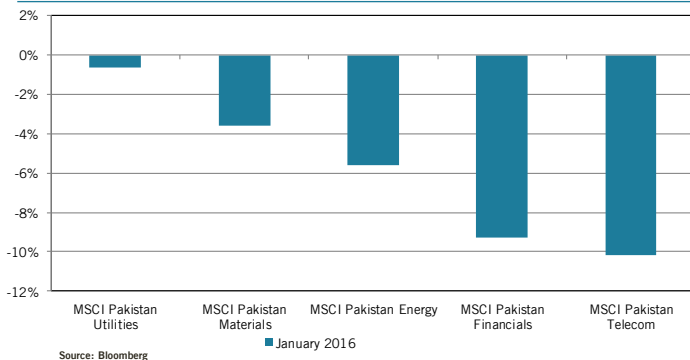
	Return (SEK)
Tpl Trakler Ltd	-20.3%
Pak Oilfields	-18.3%
Murree Brewery	-14.8%
Habib Bank Ltd	-13.4%
Hum Network Ltd	-12.8%

### Five largest holdings

Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Pak State Oil	5.0%	Pakistan	9.4	6.6	3.7%	-0.7%
Mcb Bank Ltd	4.3%	Pakistan	-	-	7.5%	-9.1%
United Bank Ltd	4.3%	Pakistan	6.8	6.4	8.2%	-5.4%
Nishat Mills Ltd	4.0%	Pakistan	-	-	4.6%	5.2%
Packages Ltd	3.7%	Pakistan	13.5	12.1	2.2%	-5.2%

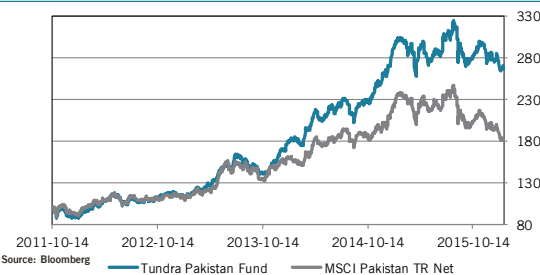
Source: Bloomberg, Tundra Fonder

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



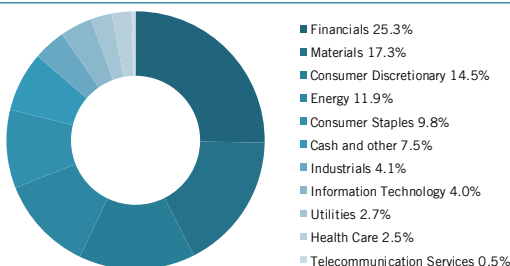
Source: Bloomberg

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



Source: Bloomberg

### Tundra Pakistan Fund: Sector allocation



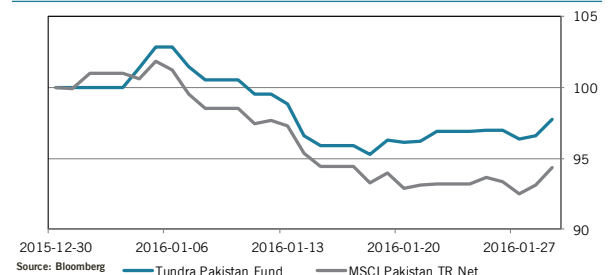
### The market

MSCI Pakistan Net (SEK) lost 5.6% during January, underperforming the MSCI Emerging Markets Net (SEK) which declined by 4.1%. Average daily traded value declined to USD 70m in the first month of 2016. Foreigners' selling streak continued and amounted to USD 49m for the month. Global equity rout and regulatory actions against brokers and individuals had its toll on market performance. Foreigners continued selling blue chip stocks mainly in Banks and Energy amid lack of buying interest from local investors. Inflation seems to be inching up to stand at 3.2 % compared to 2.7% in the previous month. The Central Bank kept its policy rate unchanged at 6% due to anticipated inflationary pressures going forward. Large Scale Manufacturing (LSM) grew by 4.4% Y/Y in 5mFY16 compared to 3.1% Y/Y in the corresponding period last year. The most important development regarding the market was the launch of the Pakistan Stock Exchange, which is a merger of three stock exchanges in the country. This is the first step towards the privatization of the stock exchange, where a foreign bourse is expected to take a strategic equity stake. Overhang from foreign investors suggest short term lackluster performance. However, as earnings season is kicking in there might be renewed excitement which could at least partly offset the foreign selling.

### The fund

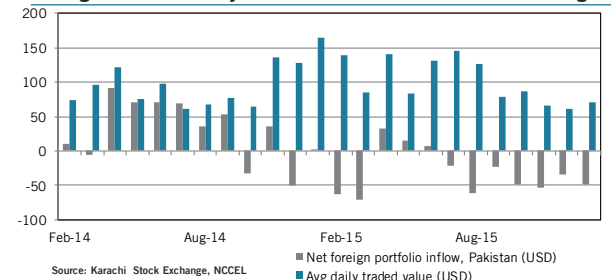
The fund declined 2.2% (SEK) during the month, outperforming the benchmark index which lost 5.6%. Positive performance during the month was mainly attributed to our underweight in index heavy stocks in the Financials, Energy and Fertilizer sectors where foreign investors remained heavy sellers. In addition, our off benchmark bets in Information Technology, Steel and Textiles also fared well during the month. However our illiquid Consumer and Healthcare stocks performed negatively for the fund as local investors sold off to meet redemptions. The fund added exposure to the Financial sector during January.

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



Source: Bloomberg

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



Source: Karachi Stock Exchange, NCCEL

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Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Rysslandsfond	75.9	0.4%	0.4%	4.5%	-24.1%
Jmf-index (MSCI Russia Net (SEK))	3107.4	1.7%	1.7%	8.5%	-19.5%

Facts		Risk and costs*	
Inception date	2011-10-14	Active risk (Tracking error)	10.6%
Inception price	100,00	Standard deviation	26.5%
Pricing	Daily	Standard deviation, benchmark	30.9%
Manager	Tundra Fonder AB	Beta	0.81
Benchmark index	MSCI Russia Net (SEK)	Information ratio	0.12
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	12.1 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 it

### Best performers in January

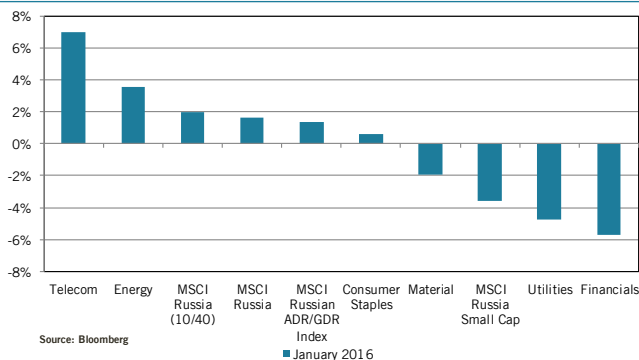
Return (SEK)	Worst performers in January	Return (SEK)	
Lukoil Pjsc	8.3%	Tmik Pao	-13.6%
Novatek Oao	7.0%	Halyk Savings Bk	-10.5%
Nlmk Ao	6.8%	Tbc Bank Jsc-Gdr	-9.4%
Mobile Telesyste	6.5%	Dixy Group Pjsc	-8.6%
Rosneft Oao	6.4%	Lsr Group Pjsc	-8.3%

### Five largest holdings

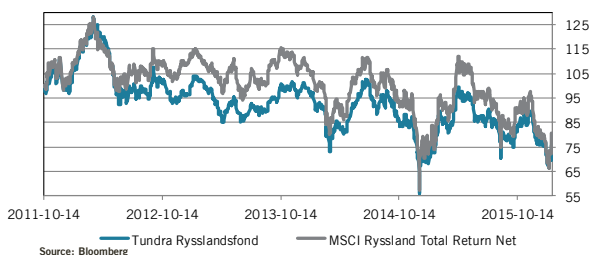
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	Return 1 month (SEK)
Gazprom Pao	9.2%	Russia	3.0	3.0	5.4%	-0.7%
Sberbank Pjsc	8.4%	Russia	9.8	6.2	1.8%	-5.7%
Surgutnefteg-Prf	7.6%	Russia	-	-	15.2%	2.9%
Mmc Norilsk Nick	6.6%	Russia	6.4	8.1	13.6%	-4.3%
Rosneft Oao	5.4%	Russia	6.9	7.1	3.6%	6.4%

Source: Bloomberg, Tundra Fonder

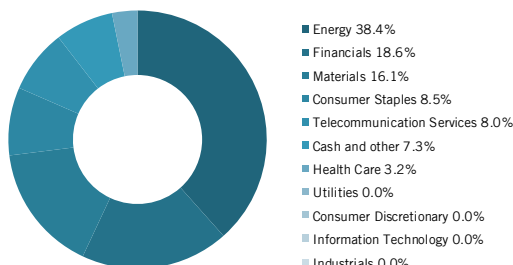
### Russian sectors and indices (SEK, total return)



### Tundra Rysslandsfond vs index (since inception)



### Tundra Rysslandsfond: Sector allocation



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### The market

MSCI Russia Net rose 1.7% (SEK) in January compared to other emerging markets (MSCI Emerging Markets Net SEK) which fell 4.1%. Best sector during the month was Telecom, which rose 7%. Worst sector was Financials, which fell 6%. Small cap Index fell 4% during the month.

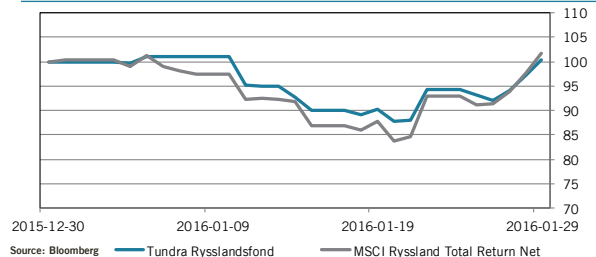
January, which tends to be a good month for the stock market, was one of the worst Januarys on record. (the third worst January ever according to Bank of America.) Against this background, the Russian market did relatively well. However, it was not without very large price movements during the month. Prices initially fell by 19% to its lowest point during the day on January 21st when a sharp rally in oil lifted the Russian market to a small positive return for the month. Oil prices fell 27% in USD until January 21st. Oil prices have been under pressure since there is a global over-production. The news that sanctions against Iran would be lifted on January 16th created additional downward pressure on the crude oil price. The fact that Iran had already pumped oil ahead of the lifting of the sanctions added to the market nervousness. Late in the afternoon on January 21st came the news headlines that the Russian Minister of Energy would contact OPEC on potential coordinated production cuts, which caused oil prices to rise sharply. The price rose 27% during the last days of January and ended the month down 5% (brent)

The value of the Ruble has lost more than half of its value during the last two years. The effect of sharply falling currency has hit the Russian consumer. Retail sales fell by 10% in real terms while unemployment was reported at below 6%. Real wages fell 9.5% during the same period. It hence does not appear to be the rising unemployment causing weaker consumption but a loss of purchasing power through a lower exchange rate.

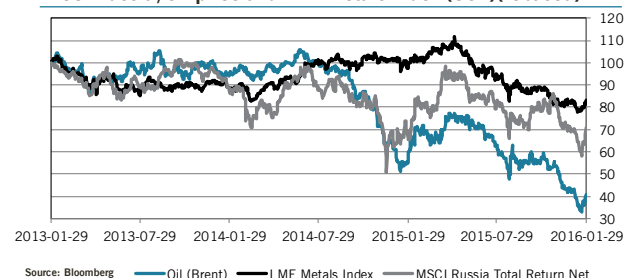
### The fund

Tundra Rysslandsfond rose 0.4% in January, while the market, measured by the MSCI Russia Net, rose 1.7% (SEK). Over the last three years Tundra Ryssland fell 23.5% compared with the benchmark index, which dropped 26.3% and Morningstar Fund Index, which is an average of all Russia funds, which has fallen 27.9% over the same period, all in SEK.

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



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





# Monthly Letter January 2016

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

Return	NAV (SEK)	1 month	YTD	1 year	Inception
Tundra Sustainable Frontier Fund	86.9	-3.3%	-3.3%	-	-13.1%
Benchmark (MSCI FM xGCC Net (SEK))	4697.8	-3.0%	-3.0%	-	-12.8%

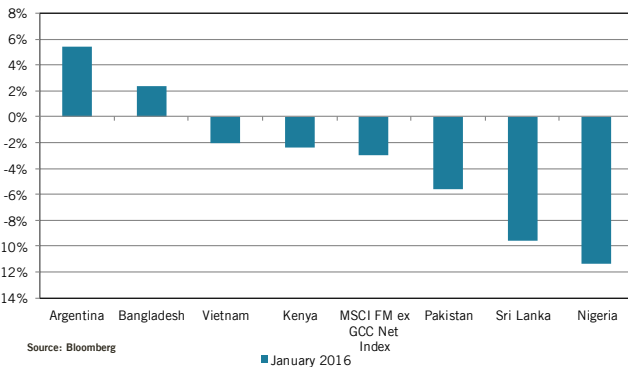
Facts		Risk and costs*	
Inception date	2015-08-03	Active risk (Tracking error)	-
Inception price	100.00	Standard deviation	-
Pricing	Daily	Standard deviation, benchmark	-
Manager	Tundra Fonder AB	Beta	-
Benchmark index	MSCI FM xGCC Net (SEK)	Information ratio	-
Bank account	SEB 5851-1107312	Risk level	7 of 7 (refer to KIID for more info)
ISIN	SE0005797206	Management fee/year	2.5%
PPM	-		
Bloomberg	TUNDSUS SS		
AuM	95.6 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

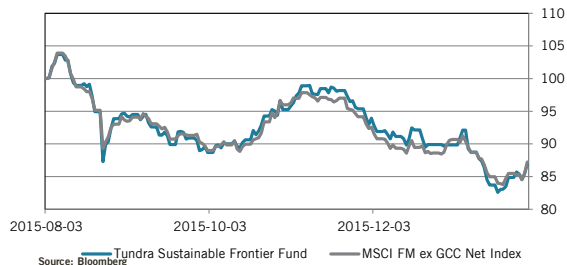
Best performers in January		Worst performers in January	
	Return (SEK)		Return (SEK)
Nishat Chunian	17.3%	Cresud Sa	-21.6%
Netsol Technolog	16.4%	Diamond Bank	-20.8%
Pak Elektron	9.4%	Tpl Trakker Ltd	-20.3%
Bim Son Cement J	9.1%	Tokyo Cement Co	-17.7%
Banco Macro Sa-B	6.0%	Kcell	-16.0%

Five largest holdings					
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Return 1 month (SEK)
Zenith Bank Plc	6.0%	Nigeria	3.9	3.8	13.0%
International Brands	5.4%	Pakistan	-	-	-
Pak Elektron	5.1%	Pakistan	7.8	6.6	3.0%
Meezan Bank Ltd	4.6%	Pakistan	8.5	-	-
Kmg Ep-Gdr	4.0%	Kazakhstan	4.2	9.2	5.5%

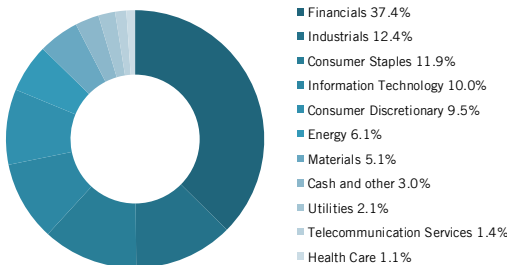
### Major frontier markets (SEK, total return)



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



### Tundra Sustainable Frontier Fund: Sector allocation



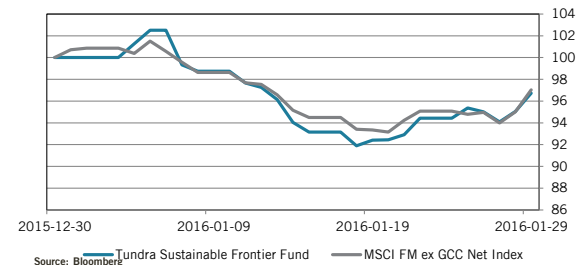
### The market

MSCI Frontier Markets xGCC Index Net (SEK) fell 3.0% in January, while MSCI Emerging Markets Net (SEK) 4.1%. The dollar strengthened slightly more than 2% against the Swedish krona, which saved another wise weak month somewhat. Commodity-exporting countries fell sharply during the month. Nigeria lost 11% and Kazakhstan fell 9%. Argentina (+5%) and Bangladesh (+2%) managed to buck the global trend. Continued concerns about weak commodity prices, primarily oil, characterized the market during the first half of January. The price of oil (measured in Arab Light) fell from USD 31/bbl to nearly USD 22 on Jan. 21 after which the price bounced back to USD 30/barrel. The discussions in the market now centers around portfolio flows. Rumors of upcoming large outflows from sovereign wealth funds are used as arguments for why seemingly cheap markets can become even cheaper. Few participants put any emphasis on the fact that the substantial fall in commodity prices represents a strong economic stimulus to most frontier markets (outside the Middle East), most of which are net importers of commodities and several of which currently are carrying out major infrastructure investments.

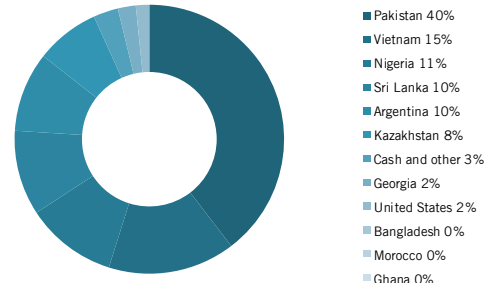
### The fund

The fund dropped 3.3% in January, marginally lower than the benchmark index, which dropped 3.0%. The underweight in Argentina was the single most important reason for the relatively weak performance, while the underweight in Nigeria mitigated the drop slightly. Good stock picking in Pakistan contributed positively. Textile manufacturer Nishat Chunian (just below 2% of the Fund) rose 17% after the government announced a stimulus program for the textile sector. IT company Netsol (2% of the Fund) continued up another 16% in the wake of the large software contract the company won in December. Negative contribution from stock selection was obtained mainly from Nigeria and Kazakhstan. Nigerian United Bank of Africa (just below 3% of the Fund) fell 13% during the month in a weak market. Sri Lankan cement manufacturer Tokyo Cement fell 18% in a weak market. During the month the fund decreased its exposure in Georgia and sold its complete holding in the Argentinian oil producer YPF. The fund made its first investment in the Pakistani insurance sector and increased its holdings in the Pakistani textile sector 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	126.0	-1.1%	-1.1%	-3.7%	26.0%
Jmf-index (FTSE Vietnam Index Net (SEK))	2070.2	-2.0%	-2.0%	-11.3%	12.8%

Facts		Risk and costs*	
Inception date	2014-05-06	Active risk (Tracking error)	10.4%
Inception price	100,00	Standard deviation	21.3%
Pricing	Dagligen	Standard deviation, benchmark	23.2%
Manager	Tundra Fonder AB	Beta	0.82
Benchmark index	FTSE Vietnam Index TR (SEK)	Information ratio	0.71
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	205.9 MSEK		

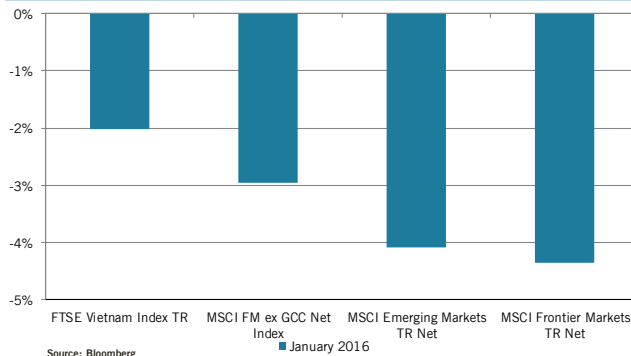
\*Risk indicators are based on monthly rolling 24 months of return data. Funds with inception date within 24 months use weekly return data since inception

Best performers in January		Worst performers in January	
Return (SEK)		Return (SEK)	
Petro Vietnam Sg	13.3%	Hagl Jsc	-21.2%
Dong Hai Jsc Of	12.6%	Hoang Huy Invest	-18.3%
Bim Son Cement J	9.1%	Fic Group Jsc	-16.5%
Nam Kim Steel Js	8.9%	Petrovietnam Dri	-12.1%
Vingroup Jsc	6.4%	Hoa Sen Group	-8.1%

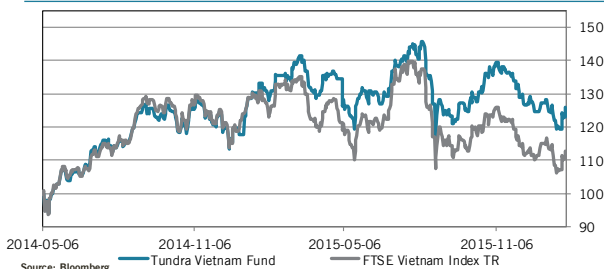
Five largest holdings						Return 1
Holding	Portfolio weight	Country	P/E 2015E	P/E 2016E	Yield	month (SEK)
Vingroup Jsc	8.2%	Vietnam	31.0	19.7	-	6.4%
Hoa Phat Grp Jsc	6.8%	Vietnam	5.7	5.4	6.5%	-3.5%
Masan Group Corp	6.6%	Vietnam	42.3	23.5	-	-3.2%
Fpt Corp	5.4%	Vietnam	10.2	8.3	4.3%	-1.3%
Dat Xanh Real Es	3.4%	Vietnam	6.4	7.9	5.6%	-2.1%

Source: Bloomberg, Tundra Fonder

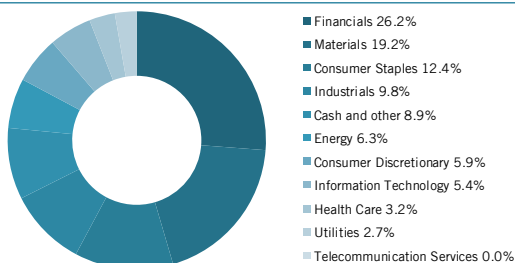
### Various frontier market indices (SEK, total return)



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



### Tundra Vietnam Fund: Sector allocation



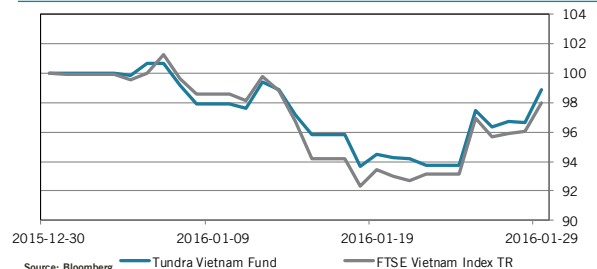
### The market

FTSE Vietnam Net (SEK) lost 2.0% in January compared to the MSCI Emerging Market Net (SEK) loss of 4.1%. Foreigners were net sellers of USD 70m in the market due to weak sentiments globally. Volumes remained dull as power squabbling continued in the political landscape of the country, resulting in daily traded value shrinking to USD 100m. Energy remained under pressure following global oil prices while banking stocks performed badly in anticipation of lower credit growth and threat of rising non-performing loans respectively. Vietnam's Communist Party re-elected General Secretary Trong for a second term for which the outgoing Prime Minister Dung was also contesting. The Trans-Pacific Partnership (TPP) is now officially signed by the trade ministers of all 12 countries. After signing, the twelve participating countries are given two years to ratify the agreement before it is implemented in 2018. Trade deficit for 2015 came in at USD 3.5bn compared to a surplus of USD 2.4bn in 2014. The deficit was mainly driven by the collapse in the value of commodity exports; mostly crude oil (-48.5% Y/Y) along with other agricultural products. Significant increase in imports also widened the deficit as FDI related import of machinery and equipment surged by 23% Y/Y.

### The fund

The fund lost 1.1% during the month, outperforming the benchmark which lost 2.0%. The relatively stronger performance came partly from our overweight in Energy stocks which fell with international crude prices. Our underweight in Financials also provided alpha as looming threat of bad loans and foreign selling dragged the sector downwards. In addition, our off benchmark bets in Healthcare and Materials posted positive relative returns. On the negative side, Consumer Discretionary and Industrial stocks remained the main culprits. No major changes were made in the fund during the month.

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



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



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	Return SEK (%)			
	January	3 months	Year to date	12 months
<b>Emerging Markets</b>				
MSCI Emerging Markets TR Net	-4,1	-11,0	-4,1	-17,6
Brazil	-4,1	-13,7	-4,1	-39,5
Chile	3,1	-4,6	3,1	-9,9
Colombia	-0,3	-17,0	-0,3	-34,8
The P Philippines	-2,8	-6,6	-2,8	-13,7
India	-3,7	-8,0	-3,7	-15,6
Indonesia	3,9	7,4	3,9	-13,7
China (A shares)	-21,1	-18,9	-21,1	-15,0
China (H shares)	-10,5	-15,7	-10,5	-18,0
Malaysia	4,8	5,9	4,8	-12,4
Egypt	-14,6	-20,2	-14,6	-37,8
Mexico	-0,9	-9,8	-0,9	-8,3
Peru	3,6	-10,5	3,6	-23,7
Poland	-6,4	-17,1	-6,4	-24,9
Russia	1,7	-9,4	1,7	8,5
South Africa	-1,4	-18,7	-1,4	-28,5
South Korea	-3,5	-9,5	-3,5	-10,3
Taiwan	-1,8	-7,4	-1,8	-13,1
Thailand	6,4	-6,1	6,4	-19,8
Czech Republic	1,2	-7,1	1,2	-9,5
Turkey	1,5	-8,7	1,5	-27,3
Hungary	3,1	12,0	3,1	55,6
United Arab Emirates	-6,0	-15,4	-6,0	-17,3
Qatar	-8,1	-18,3	-8,1	-20,6
Latin America	-1,8	-11,4	-1,8	-26,9
Asia	-5,3	-10,1	-5,3	-14,7
EMEA	-2,1	-15,6	-2,1	-20,3
<b>Frontier Markets</b>				
MSCI Frontier Markets 100 TR Net	-4,4	-10,1	-4,4	-13,4
MSCI Frontier Markets xGCC Net	-3,0	-9,1	-3,0	-10,0
Argentina	5,4	-9,1	5,4	13,3
Bangladesh	2,4	-2,5	2,4	-11,5
Bosnia and Herzegovina	1,2	-1,0	1,2	-3,4
Bulgaria	-4,5	-4,6	-4,5	-27,7
Ecuador	0,1	-2,8	0,1	-5,1
Morocco	3,1	-1,1	3,1	-7,8
Estonia	-0,5	2,8	-0,5	8,7
Tunisia	9,9	2,9	9,9	-4,4
Ghana	-3,4	-5,7	-3,4	-20,2
Kazakhstan	-9,0	-11,1	-9,0	-35,7
Kenya	-2,4	-0,9	-2,4	-19,7
Croatia	-2,6	-7,3	-2,6	-4,4
Kuwait	-8,4	-11,8	-8,4	-22,5
Latvia	5,3	2,8	5,3	48,1
Lithuania	0,3	-1,4	0,3	1,1
Mauritius	-0,1	-6,0	-0,1	-14,2
Mongolia	-6,7	-10,8	-6,7	-17,3
Nigeria	-11,4	-19,2	-11,4	-16,5
Pakistan	-5,6	-12,2	-5,6	-21,4
Jordan	-2,2	-0,3	-2,2	1,0
Romania	-9,2	-15,7	-9,2	-3,4
Serbia	-9,8	-17,2	-9,8	-20,1
Slovakia	7,6	6,8	7,6	35,9
Slovenia	-2,8	-3,7	-2,8	2,2
Sri Lanka	-9,6	-12,4	-9,6	-20,0
Ukraine	-10,2	-15,2	-10,2	-48,2
Vietnam	-2,0	-8,8	-2,0	-11,3
<b>Developed Markets</b>				
MSCI World TR Net	-4,7	-7,0	-4,7	-1,1
Hong Kong	-7,2	-10,3	-7,2	-10,9
Nasdaq	-6,9	-7,6	-6,9	3,7
Nikkei 225	-6,0	-7,7	-6,0	2,4
OMX Stockholm 30	-5,9	-8,9	-5,9	-10,8
S&P 500	-3,9	-5,5	-3,9	1,3
Singapore	-7,3	-12,3	-7,3	-20,3
STOXX Europe 600	-5,5	-9,6	-5,5	-5,4
<b>Sectors (Emerging Markets)</b>				
Financials	-7,2	-14,1	-7,2	-22,0
Industrials	-3,6	-12,6	-3,6	-18,4
Consumer Staples	0,2	-6,9	0,2	-9,6
Energy	-1,4	-10,9	-1,4	-15,2
IT	-4,5	-8,8	-4,5	-13,7
Utilities	-2,6	-9,4	-2,6	-19,6
Healthcare	-1,7	-7,4	-1,7	-10,1
Materials	-3,3	-12,1	-3,3	-22,1
Consumer Discretionary	-4,6	-11,2	-4,6	-15,8
Telecom	-0,2	-9,2	-0,2	-9,7

	Return in USD (%)			
	January	3 months	Year to date	12 months
<b>Soft commodities</b>				
Coffe	-5,9	-3,8	-5,9	-28,1
Cocoa	-14,5	-15,3	-14,5	2,5
Corn	3,6	-5,0	3,6	-9,0
Palm oil	6,4	8,7	6,4	-4,3
Rice	-1,6	-2,2	-1,6	7,4
Soya	1,4	-0,7	1,4	-7,7
Wheat	2,0	-8,8	2,0	-11,1
<b>Energy</b>				
Cool (cooking coal, China)	-1,4	-23,9	-1,4	-35,8
Cool (steam coal, South Africa)	3,0	-3,5	3,0	-18,2
Natural Gas (Henry Hub)	3,8	-1,0	3,8	-14,6
Oil (Arabian Light)	-8,8	-38,0	-8,8	-35,8
Oil (Brent)	-4,7	-29,9	-4,7	-34,4
Oil (WTI)	-8,1	-27,8	-8,1	-30,3
<b>Fertilizers</b>				
Ammonia	-22,5	-28,7	-22,5	-37,4
Phosphorus	-1,5	-1,5	-1,5	5,6
Potash	-11,5	-16,9	-11,5	-35,3
Sulfur	-13,6	-13,6	-13,6	-26,4
Urea	-11,1	-20,3	-11,1	-38,0
<b>Metals</b>				
Aluminum	-0,6	2,7	-0,6	-18,5
Gold	5,5	-2,1	5,5	-12,9
Copper	-3,7	-10,8	-3,7	-17,0
Nickel	-0,9	-14,3	-0,9	-43,2
Palladium	-8,9	-26,2	-8,9	-35,3
Platinum	0,0	-11,5	0,0	-29,8
Silver	2,9	-8,3	2,9	-17,3
Steel	0,0	1,3	0,0	-27,4
Zinc	-0,6	-5,1	-0,6	-23,6

	SEK per 1 local currency				Change (%)			
	2016-01-29	2015-10-30	2015-12-30	2015-01-30	January	3 months	Year to date	12 months
Argentina (Peso)	0,6170	0,8939	0,6487	0,9557	-4,9	-31,0	-4,9	-35,4
Bangladesh (Taka)	0,1096	0,1093	0,1074	0,1066	2,1	0,4	2,1	2,8
Bosnia Hercegovina (Mark)	4,7676	4,7801	4,6980	4,7722	1,5	-0,3	1,5	-0,1
Brazil (Real)	2,523	2,2050	2,2274	3,0787	1,2	-2,4	1,2	-30,1
Bulgaria (Lev)	4,7676	4,7841	4,6972	4,7720	1,5	-0,3	1,5	-0,1
Chile (Peso) X100	0,021	0,023	0,019	0,030	1,7	-1,6	1,7	-7,0
Colombia (Peso) x100	0,0026	0,0029	0,0027	0,0034	-1,2	-10,7	-1,2	-22,6
Egypt (Pound)	10990	10594	10754	10883	2,2	3,7	2,2	1,0
Euro	9,2912	9,3958	9,1913	9,3524	1,1	-1,1	1,1	-0,7
Philippines (Peso)	0,1803	0,1815	0,1793	0,1872	0,6	-0,7	0,6	-3,7
United Arab Emirates (Dirham)	2,3434	2,347	2,2923	2,2488	2,2	1,2	2,2	4,2
Hong Kong (Dollar)	1,055	1,0969	1,0863	1,0655	1,8	0,8	1,8	3,7
India (Rupee)	0,1270	0,1303	0,1268	0,1335	0,1	-2,5	0,1	-4,9
Indonesia (Rupia) X100	0,0006	0,0006	0,0006	0,0007	2,3	0,6	2,3	-4,2
Japan (Yen) X100	0,0711	0,0705	0,0698	0,0703	1,8	0,8	1,8	1,1
Kazakhstan (Tenge)	0,0236	0,0304	0,0248	0,0447	-5,1	-22,3	-5,1	-47,2
Kenya (Shilling)	0,0841	0,0833	0,0823	0,0901	2,1	0,9	2,1	-6,7
China (Renminbi)	13089	13458	12973	13214	0,9	-2,7	0,9	-0,9
Croatia (Kuna)	12,174	12,334	12,028	12,124	1,2	-1,3	1,2	0,4
Kuwait (Dinar)	28,3362	28,0563	27,7369	27,9680	2,2	1,0	2,2	1,3
Latvia (Lati)	13,2646	13,3154	13,0722	13,2709	1,5	-0,4	1,5	0,0
Malaysia (Ringgit)	2,0751	1,9766	1,9621	2,2757	5,8	5,0	5,8	-8,8
Morocco (Dirham)	0,8667	0,8642	0,8499	0,8613	2,0	0,3	2,0	0,6
Mexico (Peso)	0,4754	0,5152	0,4856	0,5515	-2,1	-7,7	-2,1	-13,8
Mongolia (Togrog)	0,0043	0,0043	0,0042	0,0043	1,4	0,4	1,4	0,6
Nigeria (Naira)	0,0433	0,0427	0,0423	0,0440	2,4	1,3	2,4	-1,7
Pakistan (Rupee)	0,0821	0,0806	0,0803	0,0817	2,3	1,9	2,3	0,5
Peru (new Sol)	2,4787	2,5865	2,4891	2,7003	0,4	-4,2	0,4	-8,2
Polan (Zloty)	2,1090	2,2016	2,1583	2,2285	-2,3	-4,2	-2,3	-5,4
Qatar (Rial)	2,3643	2,3357	2,3119	2,2682	2,3	1,2	2,3	4,2
Romania (Lei)	2,0491	2,1095	2,0284	2,1019	1,0	-2,9	1,0	-2,5
Russia (Rubel)	0,1139	0,1329	0,1147	0,1189	-0,6	-14,3	-0,6	-4,2
Serbia (Dinar)	0,0760	0,0777	0,0755	0,0757	0,7	-2,2	0,7	0,4
Singapore (Dollar)	6,0432	6,0676	5,9491	6,0994	1,6	-0,4	1,6	-0,9
Sri Lanka (Rupee)	0,0597	0,0603	0,0584	0,0625	2,2	-1,0	2,2	-4,5
Sydafrika (rand)	0,5417	0,6151	0,5411	0,7091	0,1	-11,9	0,1	-23,6
South Korea (Won)	0,0072	0,0075	0,0072	0,0076	0,0	-3,7	0,0	-5,0
Taiwan (Dollar)	0,2583	0,2608	0,2556	0,2620	1,0	-1,0	1,0	-1,4
Thailand (Bhat)	0,2412	0,2387	0,2336	0,2521	3,3	1,1	3,3	-4,3
Czech (Koruny)	0,3450	0,3454	0,3400	0,3361	1,5	-0,1	1,5	2,7
Turkey (Lira)	2,9130	2,9166	2,8802	3,3828	1,1	-0,1	1,1	-13,9
Ukraine (Hryvnia)	0,3356	0,3705	0,3501	0,5095	-4,1	-9,4	-4,1	-34,1
Hungary (Forint)	0,0300	0,0301	0,0293	0,0300	2,2	-0,5	2,2	-0,1
USD	8,6074	8,5019	8,4198	8,2598	2,2	1,2	2,2	4,2
Vietnam (Dong) X1000	0,0004	0,0004	0,0004	0,0004	3,3	1,7	3,3	-0,1

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