

TUNDRA SUSTAINABLE FRONTIER FUND

MONTHLY UPDATE
JUNE 2025



STEADY GAINS IN JUNE

In USD the fund rose by 3.9% (EUR: +0.4%) during the month, compared with a gain of 5.7% for the MSCI FMxGCC Net TR (USD) (EUR: +2.1%) and 6.0% for the MSCI EM Net TR (USD) (EUR: +2.4%). In terms of absolute contribution, Sri Lanka was the strongest performer (+0.8% absolute contribution), followed by Vietnam (+0.5%) and Bangladesh (+0.5%), while Indonesia (-0.3%) was the only country portfolio with a negative contribution. Relative to the benchmark, our overweight positions in Sri Lanka (+0.7% relative contribution), Nigeria (+0.5%), and Bangladesh (+0.5%) were the main positive contributors, whereas the absence of holdings in Romania (-1.1%) and Slovenia (-0.8%), along with an underweight in Morocco (-0.6%), weighed negatively on performance.

Among individual holdings, the largest contributions came from Pakistani banks—National Bank of Pakistan (5% of the portfolio), which rose 14%, and Meezan Bank (7% of the portfolio), which gained 9%. In our view, the key drivers behind these gains were growing optimism regarding earnings capacity and attractive dividend yields in a declining interest rate environment. The third-largest contributor was Vietnamese company REE Corp (7% of the portfolio), which rose 9% following a slightly better-than-expected Q1 earnings report. On the negative side, the main detractor was Indonesian Hermina Hospitals (3% of the portfolio), which declined 7%, following a strong rally in May.

We took advantage of the calmer market environment in several of our markets to make some portfolio adjustments. In Bangladesh, we increased our position in BRAC Bank while trimming our holding in pharmaceutical company Square Pharma. While we remain positive on both companies, we hold stronger conviction in BRAC Bank over the coming years and want to leave room for the position to grow. Amid the geopolitical tensions in the Middle East, we also took the opportunity to further increase our position in Egyptian bank CIB (to 3%).



Tea plantation, Nuwara Eliya, Sri Lanka. Source: Unsplash

KEY MARKET DEVELOPMENTS

Israel's strike on Iran on 13 June caused only a brief stir in global equity markets and pushed oil prices up by nearly 20% (Brent, measured from the end of May). However, once it became clear that the risk of broader regional escalation was low, markets rebounded, and oil prices moderated. For the month, Brent rose 8%, though it remains 16% lower than a year ago. The involvement of the

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United States also had limited market impact. Following Assad's fall in Syria, Iran lacks clear allies in the region. Natural partners such as the Houthi rebels and Hamas now have limited capacity to offer support. Aside from several formal condemnations, the international response was largely muted.

Nigeria rose 16% during the month, supported by rising oil prices. The naira appreciated 3% and has now recovered 10% against the US dollar since its low in November 2024.

Vietnam rose 4% during the month. Just after the end of the month, the US and Vietnam announced a trade agreement. Under the deal, US exports to Vietnam will be tariff-free. Vietnamese exports will be subject to a 20% tariff (down from the original proposal of 46%), while goods "transshipped" via Vietnam (exact definition still pending) will face tariffs of 40%. The higher tariff on transshipped goods is likely intended as a safeguard to block, for instance, Chinese exports routed through Vietnam before entering the US—but the specific rules remain to be clarified. As with all recent US trade deals, the practical implications will depend on implementation. Although it is positive that a major uncertainty has now been resolved, the equity market had already anticipated a reasonable outcome, especially as the US gradually softened its initially tough rhetoric from early April.

As the 9 July deadline for concluding trade agreements with the US approaches, very few countries have finalised deals. While consensus—including ourselves—expects some form of extension or exemptions to be the most likely outcome, one should not underestimate Trump's unpredictability. This remains a key uncertainty going into the summer.

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Tundra Sustainable Frontier Fund D, USD



ABOUT THE FUND

Tundra Sustainable Frontier Fund focuses on the next generation of emerging markets such as Vietnam, Bangladesh, Sri Lanka, Pakistan, Egypt and Nigeria. Featuring strong population growth, rapid urbanisation, investments in infrastructure, growing middle classes and stabilising political environments, a vast majority of international investors are yet to discover these markets.

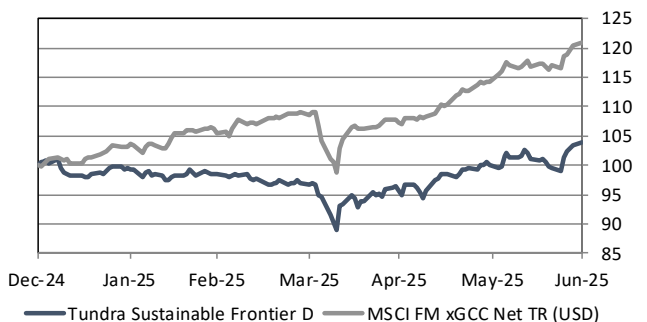
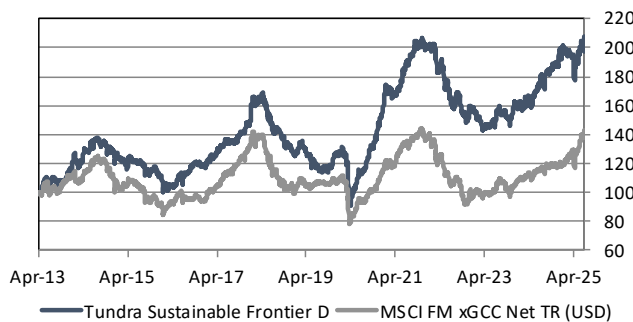
The fund is managed according to Tundra's active stock picking philosophy and backed by local research offices in Asia. Investments are based on an ESG approach where each investment has to comply with the UN Global Compact with regards to human rights, labour rights, corporate governance and environmental impacts. The fund is registered in Sweden and is fully UCITS compliant. Read more about latest developments [here](#).

RETURN*	NAV(USD)	1M	YTD	1Y	3Y	Inception
Tundra Sustainable Frontier D	32.06	3.9%	4.0%	19.7%	26.2%	107.8%
Benchmark	891.26	5.7%	20.9%	25.4%	34.6%	43.4%

* Fund returns calculated on SEK class converted to USD in order to provide the longest possible data set.

THE FUND VS BENCHMARK (SINCE INCEPTION)

THE FUND VS BENCHMARK (YTD)



FUND MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013				2.8%	6.6%	-6.2%	6.2%	-4.6%	1.7%	2.3%	3.9%	5.5%	16.9%
2014	2.4%	-2.3%	4.0%	4.4%	3.8%	0.9%	1.3%	-2.5%	0.1%	-3.4%	-0.6%	-1.7%	7.9%
2015	-3.1%	-0.5%	-2.8%	4.4%	-1.6%	-0.7%	-1.4%	-3.0%	-3.4%	4.3%	-2.7%	-1.6%	-11.8%
2016	-5.8%	-2.3%	1.7%	1.1%	4.5%	-0.2%	2.8%	4.1%	2.0%	-1.3%	-0.7%	0.4%	6.3%
2017	2.5%	2.1%	3.0%	2.5%	2.2%	1.8%	-0.8%	0.7%	3.1%	0.6%	4.5%	1.2%	25.9%
2018	10.1%	-1.4%	2.2%	-0.7%	-8.2%	-2.4%	-2.1%	-1.0%	-2.2%	-4.2%	-2.2%	-3.6%	-15.6%
2019	3.5%	1.6%	-2.0%	-2.6%	-3.7%	-2.8%	-1.0%	0.0%	-0.4%	1.7%	7.9%	-0.4%	0.9%
2020	0.3%	-6.9%	-23.0%	12.8%	6.4%	3.2%	3.1%	8.4%	3.7%	4.6%	10.3%	7.6%	28.2%
2021	4.0%	0.5%	-0.6%	1.0%	6.6%	4.0%	2.3%	1.9%	1.8%	1.7%	-0.8%	-0.3%	24.2%
2022	-1.3%	-1.5%	-5.3%	-0.1%	-4.9%	-6.8%	-3.5%	6.7%	-7.8%	-2.2%	2.8%	0.3%	-22.1%
2023	-3.1%	-2.1%	-3.1%	1.2%	0.5%	0.4%	8.0%	-3.2%	-1.9%	-3.6%	8.2%	0.7%	1.2%
2024	-2.0%	3.8%	3.3%	-3.8%	6.0%	1.8%	2.1%	4.4%	-0.2%	1.8%	2.3%	3.9%	25.5%
2025	-0.9%	-0.8%	-1.5%	-1.4%	4.8%	3.9%							4.0%

Source: Bloomberg, MSCI, Tundra Fonder

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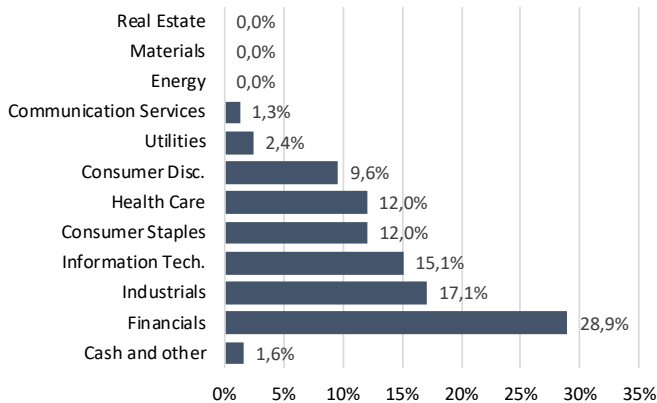
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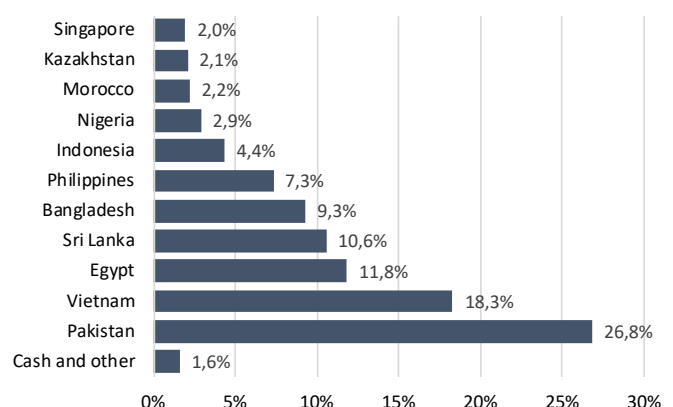
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Tundra Sustainable Frontier Fund D, USD

SECTOR ALLOCATION



COUNTRY ALLOCATION



LARGEST HOLDINGS

WEIGHT

COUNTRY

P/E 25E

P/E 26E

YIELD

RETURN 1M (USD)

Meezan Bank Ltd	7.4%	Pakistan	9.2	9.5	7.8%	8.7%
Ree	6.9%	Vietnam	13.5	13.4	1.5%	8.8%
Systems Ltd	6.8%	Pakistan	14.8	11.1	2.4%	-2.3%
GB Corp	5.4%	Egypt	7.8	6.3	2.5%	2.3%
BRAC Bank Ltd	4.8%	Bangladesh	5.5	5.2	3.9%	9.9%
FPT Corp	4.7%	Vietnam	19.7	16.2	1.9%	2.0%
National Bank of Pakistan	4.6%	Pakistan	3.7	4.1	13.8%	14.3%
Square Phar Ltd-Ord	4.4%	Bangladesh	7.3	6.5	5.5%	3.2%
Gemadept Corp	3.9%	Vietnam	16.4	16.3	1.7%	-3.5%
Century Pacific Food	3.9%	Philippines	19.8	18.0	1.6%	-0.2%

BEST PERFORMERS

RETURN (USD)

WORST PERFORMERS

RETURN (USD)

Stanbic IBTC Holdings Plc	27.1%	Medikaloka Hermina TBK	-7.3%
Guaranty Trust Holding	25.5%	Media Nusantara	-6.8%
Asiri Hospitals	22.4%	Gemadept Corp	-3.5%
Zenith Bank Plc	20.2%	Air Link Communication	-2.9%
Interloop Ltd	15.8%	Systems Ltd	-2.3%

FACTS

RISKS AND COSTS*

Inception date	2013-04-02	Active risk (Tracking error)	8.3%
Pricing	Daily	Active share	88.6%
Manager	Tundra Fonder AB	Standard deviation	11.8%
Benchmark index	MSCI FM xGCC Net TR (USD)	Standard deviation, benchmark	11.7%
ISIN	SE0005222346	Beta	0.75
Bloomberg	TUNDFRU SS	Information ratio	-0.04
IBAN	SE4750000000058648209552	Holdings	38
BIC	ESSESESS	Risk level	5 of 7 (refer to KIID for more info)
Custodian	SEB	Management fee/year **	2.5%
Auditor	PWC	AuM	241.4 MUSD
Share classes currencies	SEK, USD, EUR, NOK	Dividend	No dividend
EU SFDR Classification	Article 8		

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

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

Source: Bloomberg, MSCI, Tundra Fonder

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