

TUNDRA SUSTAINABLE FRONTIER FUND

MONTHLY UPDATE
JULY 2025



STRONG MONTH DRIVEN BY KEY HOLDINGS IN PAKISTAN AND BANGLADESH

In USD the fund rose by 8.2% during the month (EUR: +11.0%), compared to an increase of 7.0% for the MSCI FMxGCC Net TR (USD) (EUR: +9.9%), and 1.9% for the MSCI EM Net TR (USD) (EUR: +4.7%). In terms of absolute return (measured in USD), Pakistan was the single largest positive contributor (+4.2% absolute contribution), followed by Bangladesh (+2.3%) and Egypt (+1.3%), while Philippines (-0.2%), and Kazakhstan (-0.1%) were the only sub-portfolios to detract. Relative to our benchmark, the main positive contributions came from our overweight and stock selection in Pakistan (+3.7% relative contribution), Bangladesh (+2.3%), Egypt (+1.4%), Nigeria (+0.7%), and Sri Lanka (+0.5%). These more than offset the continued weak stock selection in Vietnam (-4.2%), and our underweight in Morocco (-1.1%).

Among individual holdings, the strongest positive contributors were Pakistani Systems (8% of the portfolio), which rose by 28%, and Bangladeshi BRAC Bank (6% of the portfolio), which soared by 39%. Systems rallied primarily on the announcement of its acquisition of an international business services (BPO) company, combined with news of a significant service agreement with Accenture. This marks a notable step towards commercialising a new type of service, which could have a meaningful impact on the company's future earnings growth. BRAC Bank led the advance in a reawakened Bangladeshi equity market. We interpret the rally in Bangladesh as a response to the country's (expected) improvements in macroeconomic indicators, and signs that higher-quality banks are gaining significant market share. During the month, we observed notable foreign investor interest in the bank. The main detractor was Philippine company Century Pacific (3% of the portfolio), which fell by 10% amid a weak domestic equity market in July.



Source: Tundra Fonder, Unsplash

KEY MARKET DEVELOPMENTS

Easing concerns over US tariff measures provided broad support to the markets throughout the month. Pakistan, Vietnam, Bangladesh, and Sri Lanka all concluded agreements in line with the more optimistic expectations among market participants. However, we note the persistence of the more discretionary elements of the negotiations, with both Brazil (50% proposed tariffs) and India (25% + additional 25%) temporarily falling out of favour with Trump for reasons likely beyond trade balances alone.

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Vietnam rose by 15% during the month. The resolution of the tariff discussions was a key factor, with the US and Vietnam ultimately agreeing to a 20% tariff rate—down from the initial proposal of 46%. The strained relationship between the US and India (currently facing tariffs of 50%)—Vietnam’s most significant competitor for foreign direct investment—was also a supportive element. However, part of the rally in Vietnam could be characterised as lower quality, with gains driven primarily by more speculative and volatile names, such as the Vingroup companies and brokerage firms. By comparison, the broader domestic VN Index rose by “only” 9% over the month. Nevertheless, appetite for Vietnamese equities has clearly returned, and sentiment has improved markedly.

Another strong performer was Pakistan, which climbed 11% during the month. The US and Pakistan agreed on a 19% tariff rate for Pakistani exports—at the lower end of projections among more optimistic analysts. Talks of potential US investments in Pakistan’s commodity sector were also well received. Positive economic data, including the country’s first current account surplus in 14 years and a credit rating upgrade by Fitch, further improved sentiment. The acquisition of an international BPO firm by flagship company Systems (up 28% over the month) also boosted confidence among local investors.

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Tundra Sustainable Frontier Fund D, USD



ABOUT THE FUND

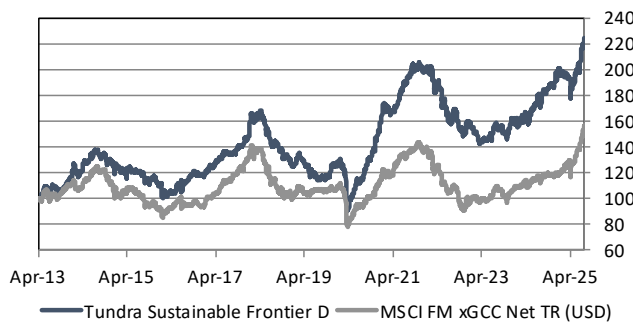
Tundra Sustainable Frontier Fund focuses on the next generation of emerging markets such as Vietnam, Bangladesh, Sri Lanka, Pakistan, Egypt and Nigeria. Featuring strong population growth, rapid urbanisation, investments in infrastructure, growing middle classes and stabilising political environments, 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](#).

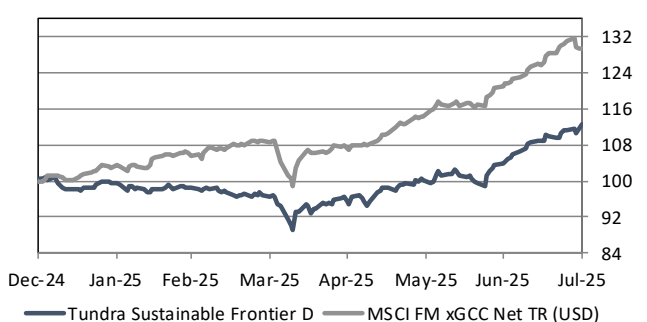
RETURN*	NAV(USD)	1M	YTD	1Y	3Y	Inception
Tundra Sustainable Frontier D	34.68	8.2%	12.5%	26.8%	41.5%	124.8%
Benchmark	953.62	7.0%	29.3%	31.6%	43.9%	53.4%

* 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%	8.2%						12.5%

Source: Bloomberg, MSCI, Tundra Fonder

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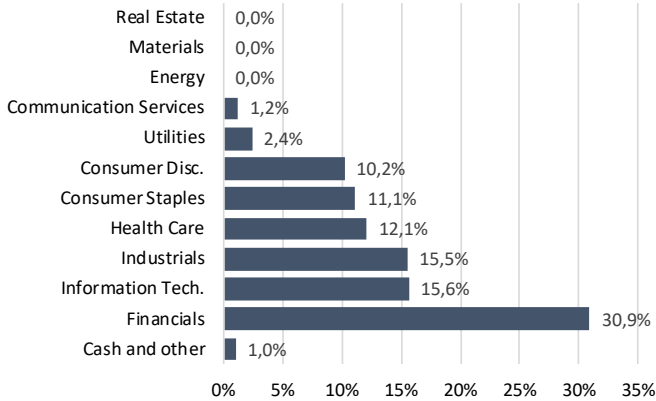
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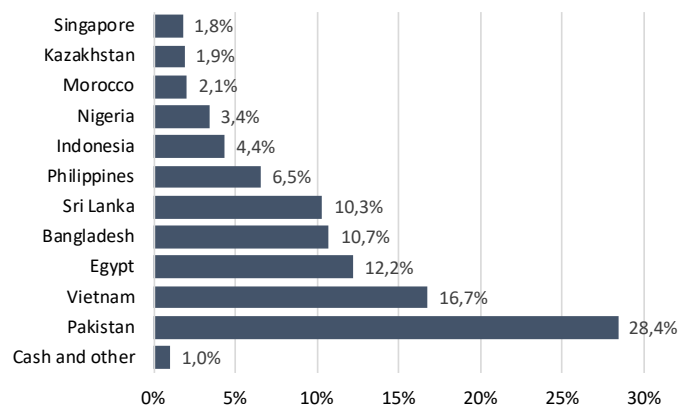
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SECTOR ALLOCATION



COUNTRY ALLOCATION



LARGEST HOLDINGS

WEIGHT

COUNTRY

P/E 25E

P/E 26E

YIELD

RETURN 1M (USD)

	WEIGHT	COUNTRY	P/E 25E	P/E 26E	YIELD	RETURN 1M (USD)
Systems Ltd	8.1%	Pakistan	18.8	13.7	1.6%	28.4%
Meezan Bank Ltd	7.4%	Pakistan	8.3	7.8	7.2%	8.9%
Ree	6.2%	Vietnam	14.2	15.0	1.5%	-2.2%
BRAC Bank Ltd	6.1%	Bangladesh	7.6	7.3	2.8%	39.4%
GB Corp	5.6%	Egypt	8.2	6.7	1.9%	13.7%
National Bank of Pakistan	4.7%	Pakistan	4.2	4.7	12.1%	14.3%
Square Phar Ltd-Ord	4.4%	Bangladesh	8.0	7.1	5.0%	10.0%
FPT Corp	4.4%	Vietnam	20.3	16.7	2.0%	0.9%
Gemadept Corp	3.5%	Vietnam	16.2	14.7	2.7%	-0.1%
Interloop Ltd	3.5%	Pakistan	24.0	9.0	1.5%	15.9%

BEST PERFORMERS

RETURN (USD)

WORST PERFORMERS

RETURN (USD)

	RETURN (USD)		RETURN (USD)
BRAC Bank Ltd	39.4%	Century Pacific Food	-9.7%
Adamjee Insurance Co Ltd	35.4%	Air Link Communication	-8.6%
Zenith Bank Plc	34.5%	Jsc Kaspi.Kz	-7.1%
Systems Ltd	28.4%	Letshego Holdings Ltd	-7.0%
Access Bank Plc	26.4%	Col Financial	-4.5%

FACTS

RISKS AND COSTS*

Inception date	2013-04-02	Active risk (Tracking error)	8.4%
Pricing	Daily	Active share	87.6%
Manager	Tundra Fonder AB	Standard deviation	11.8%
Benchmark index	MSCI FM xGCC Net TR (USD)	Standard deviation, benchmark	11.7%
ISIN	SE0005222346	Beta	0.76
Bloomberg	TUNDFRU SS	Information ratio	0.00
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	261.2 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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