

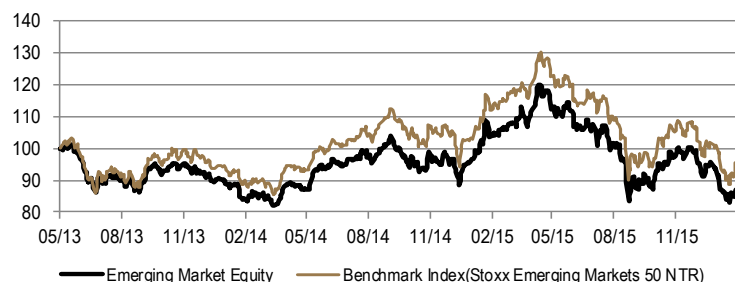
Emerging Markets Equity

Monthly Investment Basket Review 29.1.2016

Investment Basket Basic Information

Name	Mandatum Life Emerging Markets Equity
Inception date	2.5.2013
Investment Manager	Mandatum Life
Management Fee p.a.	1,5 %

Unit Value



	1 mth	3 mths	6 mths	12 mths	Year-To-Date	Since Founded
Emerging Markets Equity	-7,17 %	-10,36 %	-14,47 %	-16,05 %	-7,17 %	-12,93 %
Benchmark index	-5,35 %	-8,91 %	-12,83 %	-14,74 %	-5,35 %	-4,30 %

Top Holdings

17,09 %	Ishares Msci India Etf	6,37 %	Ishares Msci China A Ucits
8,28 %	Ishares Msci South Korea Ind	6,12 %	Taiwan Semiconductor Manufacturing Adr
8,05 %	Ishares China Large Cap Ucits Etf	3,77 %	Tencent Holdings Ltd
7,53 %	Samsung Electronics Co Ltd	3,31 %	Ishares Msci Russia
7,04 %	Ishares Msci Taiwan Etf	3,08 %	Ishares Msci Brazil Capped Etf

Investment Strategy

The investment basket invests its assets in emerging markets equities and equity-related securities. The investment basket may use fixed income investments only for the management of cash assets.

The investment basket has a benchmark index to which the return on the investment basket is compared. The benchmark index is Stoxx Emerging Markets 50 NTR. The long-term objective of the investment basket is to exceed the development of the benchmark index. The benchmark index can be exceeded by investing in selected companies based on a careful analysis. The proportion of equity-related securities in the investment basket of the total value of the investment basket may vary between 75% and 125%.

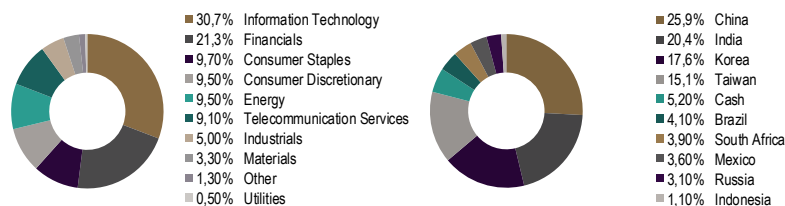
Investment Manager's Review

The 2016 investment year began at record-low figures on the world's stock markets. In January, among the investment basket's main markets South Korea (KOSPI, in euros) fell -4.7%, India (SENSEX, in euros) -5.6% and Hong Kong (HSI, in euros) -9.9%. Russia's equity market (RTSI, in euros) fell by -0.8% and Brazil's (BOVESPA, in euros) by -7.2%. The value of the ML Emerging Markets Equity investment basket decreased -7.17% in January, while the benchmark index Stoxx Emerging Markets 50 declined -5.35%. The main reason for the below-benchmark performance was the portfolio's overweight on the Chinese equity markets during January.

Concerns surrounding the impacts of China's currency policy and the faster-than-expected slowing down of its economy, in addition to the dwindling of emerging markets' foreign exchange reserves, pushed the prices of risky asset classes down in January. In addition, the widening of credit risk premiums on high yield bonds in the US, the weaker-than-expected macroeconomic figures and the cautious start to the earnings season increased risk avoidance. Towards the end of the month, the ECB's hints concerning the further loosening of monetary policy in March and Japan's central bank's decision to cut its deposit facility rate to negative figures helped to raise equities to a few per cent above the month's bottom-most figures. At the end of the month, the global index finished at approx. 6% points lower than at the start of the year.

The outlook for emerging market equities for the current year is assisted by a very moderate valuation level and an expected earnings growth level of approx. 8%. The most interesting countries are India, South Korea and China, while technology and daily consumer goods were the most attractive sectors. The main risks on the markets, as we see it, are a slower-than-expected growth rate for the global economy, an overly-aggressive monetary policy by the Fed and an uncontrolled slow-down of the Chinese economy. In addition, it is probable that low raw material prices will continue to be negatively reflected on raw-material-driven markets.

Investment Basket Composition



Industry Allocation

Geographic Equity Distribution

This investment basket review does not constitute a recommendation to subscribe for or redeem units in the investment basket. In compiling the investment basket review, every attempt has been made to ensure that the information contained in it is correct. However, Mandatum Life is not accountable for the correctness of the information. The investment basket's past performance is no guarantee of future returns. The value of investments may increase or decrease and investors risk losing the assets they originally invested.