

LHV Persian Gulf Fund

28 February 2018

Monthly Return **-2.41%**
 NAV of share **11.4381 EUR**
 Fund Size **10 703 859 EUR**
 LHV Asset Management **1 120 510 818 EUR**

Fund Manager's Comment

Joel Kukemelk



LHV Persian Gulf Fund's performance in February was -2.4% bringing year to date result to +1.5%. The strongest market in February was Bahrain that rose by +2.0% (MSCI index, local currency, net) and weakest market was Qatar that declined by -6.6%.

As of end of February majority of our fund holdings have announced their Q4 financial results. When looking at our fund's top 10 single investments then we only had one set of weak results, one set of mediocre results and 8 companies that delivered good or very good numbers. Some industrials like Ras Al Khaimah Ceramics, Aluminium Bahrain and Sipchem stood especially out alongside with select Dubai banks. On an aggregate basis UAE banking sector increased earnings +12% yoy in Q4'17.

In the beginning of March we're attending a large Middle Eastern conference held in Dubai where we have meetings with around 20 GCC companies over the course of three days.

As of end of February the fund's single investments' portfolio trades at 9.1x 12 month estimated P/E, 1.0x trailing P/B and offers 3.7% dividend yield.

Share price movement (last 36 months)



Investment Objective

LHV Persian Gulf Fund invests in listed equities in the GCC (*Gulf Cooperation Council*) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia. Due to the specific nature of the fund, the recommended minimum investment period is at least 3 to 5 years.

Fund Details

Type: eurofund (SICAV, UCITS IV)
 ISIN: LU1138349862
 Depository and Registrar: Swedbank AB (publ) Luxembourg Branch

Morningstar Rating 5 Year

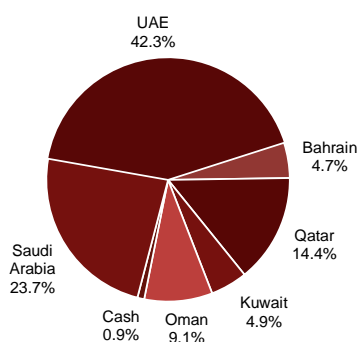
Fund Manager: Joel Kukemelk
 Issue and Redemption Fee: 0%
 Investment Management Fee: 1.75%
 Launched: 13.02.2008
 Re-domiciled: 13.04.2015

★★★

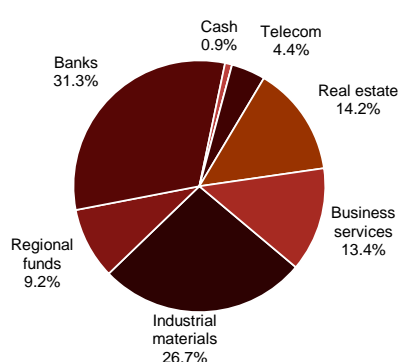
Historical Returns*

	1 month	12 months	36 months	2016-2017 average	2015-2017 average	2013-2017 average	YTD
Fund	-2.41%	2.05%	-18.45%	-0.80%	-6.34%	6.56%	1.46%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Ras Al Khaimah Ceramics	9.38%
EFG-Hermes Saudi Arabia Equity	9.18%
Bank Muscat	9.05%
Emaar Properties	9.00%
Sipchem	7.58%
National Bank of Kuwait	4.90%
Fawaz Abdulaziz Alhokair	4.78%
Aluminium Bahrain	4.69%
Emirates NBD	4.61%
Dubai Islamic Bank	4.42%
Value of top 10 Investments	68%
Total Number of Investments	21

*The fund's historical performance does not promise or offer any indications regarding future performance. The performance chart shows the performance of the LHV Persian Gulf Fund - Class A Unit (EE3600095287) until the merger of LHV Persian Gulf Fund into the SEF-LHV Persian Gulf Fund on 2015-04-13 and since then the performance of the SEF- LHV Persian Gulf Fund Share (LU1138349862).

Information presented herein should not be interpreted as investment advice, investment recommendation or any other investment or ancillary service.

Please refer to the prospectus and the key investor information and ask for additional information lhv.ee/persian.

Historical annual average performance figures are geometrical averages based on last calendar years.