

# LHV Persian Gulf Fund

28-Feb-14

**Monthly Return** 8.06%  
**NAV of A unit** 13.7337 EUR  
**NAV of B unit** 8.7758 EUR  
**Fund Size** EUR 44 840 058

## Fund Manager's Comment



**Joel Kukemelk**



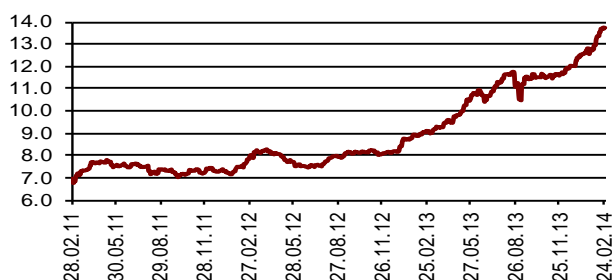
GCC region's strongest markets in February were overwhelmingly United Arab Emirates and Qatar that rose by +7.7% and +7.5% respectively. Since LHV Persian Gulf Fund's investments into the companies in these two countries make up approximately 2/3 of the fund size then that

helped the fund to show a very strong result in February.

Out of all fund investments the best returns in February were shown by UAE's Dubai Financial Market (+28%), world's largest maker of ceramic tiles UAE's Ras Al Khaimah Ceramics (+23%) and Saudi Arabia's real estate development company Dar Al Arkan Real Estate (+19%). Average daily trading turnover in the GCC stock markets – especially in Dubai – has increased multiple times compared to previous years and this year after a very long absence several new companies are expected to list their shares on the local stock markets. Increased foreign investor interest towards the region and the UAE and Qatar being included into MSCI Emerging Markets Index as of June 2014 will likely support this trend where local companies turn to stock markets to seek new capital for expansion.

In February we witnessed a revolution in Eastern European country Ukraine which is geographically far away from the GCC countries. This was followed by a swift movement of Russian troops into the Ukraine Crimean Peninsula. In the short run the threat of escalation of military conflict puts negative pressure on all global financial assets but over the long term this increases the position of energy-rich Middle Eastern countries on a global level as they are seen as more reliable partners in exporting oil and gas. In addition, Russian steps in Eastern Europe continue to hold energy prices at high and convenient levels for the energy-rich countries on the Arabian Peninsula.

## A unit price movement (last 36 months)



## Investment Objective

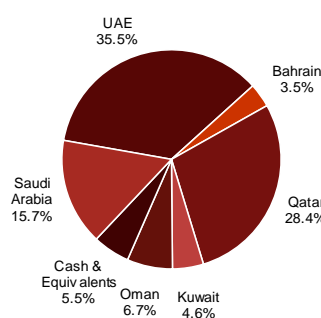
LHV Persian Gulf Fund invests in listed equities in the GCC (*Gulf Cooperation Council*) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia. Due to the specific nature of the fund, the recommended minimum investment period is at least 3 to 5 years.



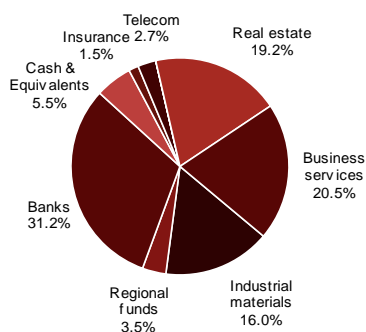
## Historical Returns\*

	1 month	12 months	36 months	2012-2013 average	2011-2013 average	2009-2013 average	YTD
Fund	8.06%	50.94%	98.57%	29.50%	17.87%	17.06%	11.97%

## Country Breakdown



## Industry Breakdown



## Top 10 Investments

Name	% of Assets
Emaar Properties	8.49%
Qatar National Bank	6.55%
Dubai Financial Market	6.48%
Union National Bank	4.90%
Samba Financial Group	4.87%
Bank Muscat	4.32%
Barwa Real Estate	3.98%
First Gulf Bank	3.96%
Agility Public Warehousing	3.94%
Doha Bank	3.90%
<b>Value of TOP 10 Investments</b>	<b>51%</b>
<b>Total Number of Investments</b>	<b>37</b>

## Fund Details

Type:	eurofund (UCITS IV)	Depository:	AS Swedbank
ISIN of A-unit:	EE3600095287 (EUR)	Issue Fee:	0%
Registrar of A-units:	AS LHV Pank	Management Fee:	1.75%
ISIN of B-unit:	EE3600095295 (EUR)	Redemption Fee:	1%
Registrar of B-units:	EVK	Established:	1/10/2008
Fund Managers:	Joel Kukemelk	Launched:	2/13/2008

\*The fund's historical performance does not promise or offer any indications regarding future performance. 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](http://lhv.ee/persian). Source & Copyright: CITYWIRE. Joel Kukemelk is AAA rated by Citywire for his 3 year risk adjusted performance for the period 31.01.2011 – 31.01.2014. Starting from 1st of March, 2014, the historical annual performance figures are geometrical averages.