

# LHV Persian Gulf Fund

30-Jun-14

**Monthly Return** -8.20%  
**NAV of A unit** 13.7952 EUR  
**NAV of B unit** 8.8151 EUR  
**Fund Size** EUR 52 012 997  
**LHV Asset Management** EUR 467 509 241

## Fund Manager's Comment



**Joel Kukemelk**



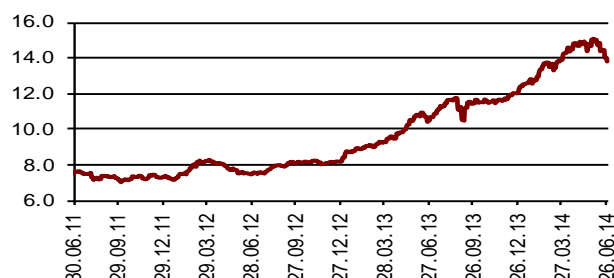
In June we witnessed a correction in the GCC markets – LHV Persian Gulf Fund's performance was -8.2%, for comparison MSCI GCC ex SA index (local currency, net) returned -15.1%. June's weakest markets in the GCC region were the United Arab Emirates and Qatar that fell by -

24.1% and -21.8% respectively. Oman's stock market was the only one showing a gain in June with +3.2% result.

Reasons for the correction in June were the following: military conflicts in Iraq between government forces and ISIL rebels; talks of Qatar potentially being stripped from their right to host FIFA WC 2022 because of bribery allegations; markets had risen nine months in a row making them susceptible to corrections; June is seasonally weakest month of the year (beginning of Ramadan); one of the retail investors' sweethearts in Dubai – Arabtec (don't hold a position in LHV Persian Gulf Fund but sentiment affects the whole market) – made changes in top management while giving very little disclosure on the reasons of the actions.

With the correction in share prices the valuation multiples look even more attractive – as of the end of June LHV Persian Gulf Fund's investments' harmonic mean expected 2014 P/E is 12.4x, 2013 P/B is 1.4x, 2013 weighted arithmetic average ROE is 13.2% and trailing 12 month dividend yield is 3.75%.

## A unit price movement (last 36 months)



## Investment Objective

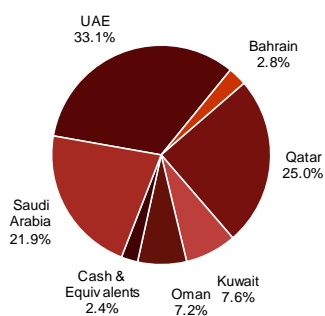
LHV Persian Gulf Fund invests in listed equities in the GCC (Gulf Cooperation Council) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia. Due to the specific nature of the fund, the recommended minimum investment period is at least 3 to 5 years.



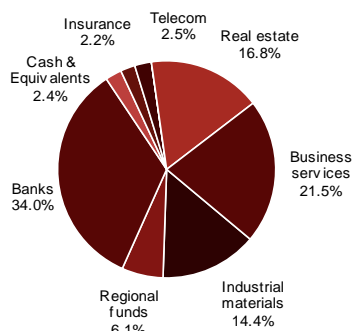
## Historical Returns\*

	1 month	12 months	36 months	2012-2013 average	2011-2013 average	2009-2013 average	YTD
Fund	-8.20%	31.62%	83.58%	29.50%	17.87%	17.06%	12.48%

## Country Breakdown



## Industry Breakdown



## Top 10 Investments

Name	% of Assets
Emaar Properties	7.25%
EFG-Hermes Saudi Arabia Equity	6.14%
First Gulf Bank	6.09%
Qatar National Bank	6.00%
Agility Public Warehousing	5.92%
Ras Al Khaimah Ceramics	5.14%
United Electronics	4.98%
Bank Muscat	4.97%
Union National Bank	4.95%
Doha Bank	4.72%
Value of top 10 Investments	56%
Total Number of Investments	36

## 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:	10.01.2008
Fund Managers:	Joel Kukemelk	Launched:	13.02.2008

\*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 A rated by Citywire for his 3 year risk adjusted performance for the period 31.05.2011 – 31.05.2014. Starting from 01.03.2014, the historical annual performance figures are geometrical averages.