

LHV Persian Gulf Fund

31-Mar-13

Monthly Return 1.87%
NAV of A unit 9.2691 EUR
NAV of B unit 5.9229 EUR
Fund Size EUR 5 787 068

Fund Manager's Comment

Joel Kukemelk

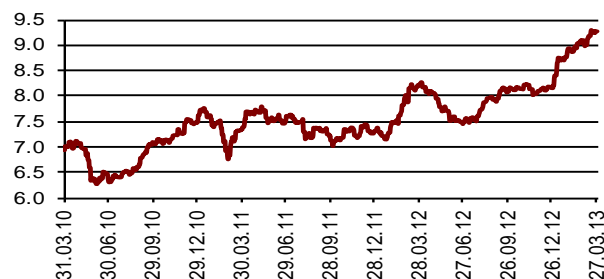


With the end of March we also closed off the first quarter of this year. In March LHV Persian Gulf Fund increased in value by +1.9%, Q1 2013 result was +13.0% and it marked the third consecutive quarter with positive returns for the fund. The return witnessed in Q1 2013 was the third highest quarterly result in the fund history being surpassed only by the returns in Q2 2009 and Q3 2009.

MSCI country net index returns (Tadawul index in case of Saudi Arabia) in local currencies since the beginning of the year have been the following: United Arab Emirates +25.8%, Qatar +8.0%, Bahrain +7.4%, Oman +5.6%, Saudi Arabia +4.8% and Kuwait +1.5%. Since the United Arab Emirates makes up the biggest part of our fund investments then we have benefitted very nicely from the stock market rally there.

Economies in the GCC-countries continue to be strong and stock prices remain attractive. At the end of March the weighted harmonic mean averages calculated on historical 2012 actual results for the whole fund portfolio were as follows: 11.1x P/E, 1.3x P/B and 3.9% dividend yield. EFG economic growth forecasts outside energy sector for 2013 are as follows: Qatar +8.5%, Saudi Arabia +6.1%, Oman +5.8%, United Arab Emirates +4.1%, Kuwait +4.0% and Bahrain +3.7%. In addition, all the GCC-countries with the exception of Bahrain should show healthy budget surpluses in 2013.

A unit price movement (last 36 months)



Investment Objective

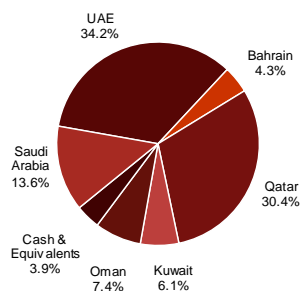
LHV Persian Gulf Fund invests in listed equities in the GCC (*Gulf Cooperation Council*) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia.

Due to the specific nature of the fund, the recommended minimum investment period is at least 3 to 5 years.

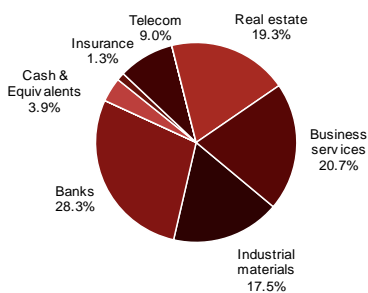
Historical Returns*

	1 month	12 months	36 months	2011-2012 average	2010-2012 average	YTD
Fund	1.87%	12.67%	33.46%	4.92%	10.02%	12.96%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Emaar Properties Limited	8.61%
First Gulf Bank	8.14%
Qatar Fuel Company	7.75%
Sorouh Real Estate Co	6.66%
Industries Qatar QSC	5.90%
Qatar Telecom	4.65%
Qatar National Bank	4.47%
Saudi Basic Industries	4.21%
Agility Public Warehousing	3.84%
Fawaz Abdulaziz Alhokair	3.54%
Value of TOP 10 Investments	58%
Total Number of Investments	31

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.