

LHV Persian Gulf Fund

31-Mar-15

Monthly Return -3.15%
NAV of A unit 13.5825 EUR
NAV of B unit 8.6792 EUR
Fund Size EUR 20 375 485
LHV Asset Management EUR 525 008 727

Fund Manager's Comment



Joel Kukemelk



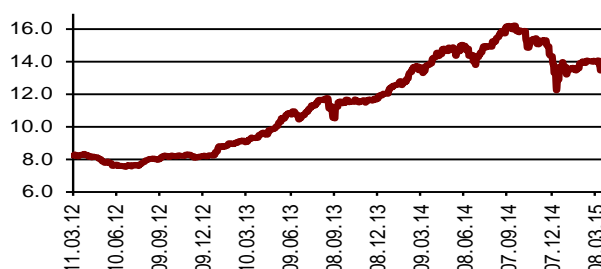
March GCC stock markets moved downwards with LHV Persian Gulf Fund falling -3.1%. Month's strongest stock market (MSCI, local currency, net) was Oman with -1.9% loss and weakest was the UAE with -7.6% fall. After March's fall valuation levels have become

cheaper – LHV Persian Gulf Fund's single investments trade at 10.9x 12 month estimated P/E, 1.3x P/B and offer 4.0% dividend yield.

In March Middle East region witnessed two developments with potentially different effects. Negative development is related to Yemen's coup by Houthi rebels that has resulted in aggressive military response from Arab League member states, especially from GCC countries who have committed 170 war planes, after Yemen's president's plea for foreign military intervention.

Positive development is related to Iran's historic nuclear deal agreed on April 2nd. According to the deal Iran can develop and operate nuclear energy in the country as long as the whole process takes place under strict international monitoring. For the next 25 years nuclear inspectors will need to have unrestricted access to Iran's uranium source, mining and manufacturing facilities. For Iran and its 80 million people gradual lifting of sanctions that have been in place for the last 12 long years should mean multi-year positive economic developments as a result. Whole Middle East and GCC in particular are clear winners of this development for their long-standing trade ties with Iran (for example the UAE is Iran's largest country of imports).

A unit price movement (last 36 months)



Investment Objective

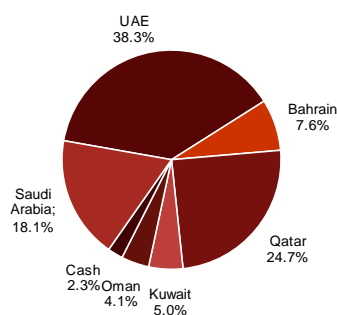
LHV Persian Gulf Fund invests in listed equities in the GCC (Gulf Cooperation Council) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia. Due to the specific nature of the fund, the recommended minimum investment period is at least 3 to 5 years.



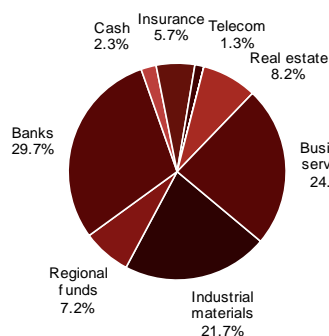
Historical Returns*

	1 month	12 months	36 months	2013-2014 average	2012-2014 average	2010-2014 average	YTD
Fund	-3.15%	-3.68%	65.11%	29.31%	23.33%	17.10%	-1.00%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Ras Al Khaimah Ceramics	9.69%
EFG-Hermes Saudi Arabia Equity	7.20%
Aluminium Bahrain	6.76%
Qatar Fuel Company	6.39%
Union National Bank	6.32%
Dubai Islamic Bank	5.78%
Qatar Insurance Company	5.72%
Savola	4.16%
Depa	4.15%
Emaar Properties	4.10%
Value of top 10 Investments	60%
Total Number of Investments	30

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% (0% until 01.04.15)
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. Source & Copyright: CITYWIRE. Joel Kukemelk is + rated by Citywire for his 3 year risk adjusted performance for the period 29.02.2012 – 28.02.2015. Starting from 01.03.2014, the historical annual performance figures are geometrical averages.