

LHV Persian Gulf Fund

31-Mar-17

Monthly Return -0.41%
NAV of share 11.1626 EUR
Fund Size EUR 11 687 607
LHV Asset Management 1 007 128 663 EUR
Share price movement (last 36 months)

Fund Manager's Comment



Joel Kukemelk

In March LHV Persian Gulf Fund decreased by -0.4% bringing year-to-date performance to -1.6%. Strongest market in March was for the second month in a row Bahrain which rose by +3.9% (MSCI index, local currency, net) and weakest was Oman that decreased by -3.3%. The biggest contributor to the rally in Bahrain market was one of our large positions - Aluminium Bahrain - that is benefitting from the rising aluminium prices and new institutional investors arriving in the market who have shown interest toward the name.

During the next couple of months we expect to see most exciting news to come from Saudi Arabia, OPEC and MSCI. Saudi Arabia is switching to international settlement cycle of T+2 already on April 23rd significantly boosting their chances of being added to MSCI review list for Emerging Market Index inclusion down the road. From the next general meeting of OPEC member states held at the end of May we expect them to prolong the agreed on production cuts to continue to drain excess global supply and support oil prices.

As of end of March fund's single investments' portfolio trades at just 9.1x 12 month estimated P/E, 1.0x trailing P/B and offers 4.1% dividend yield.



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.

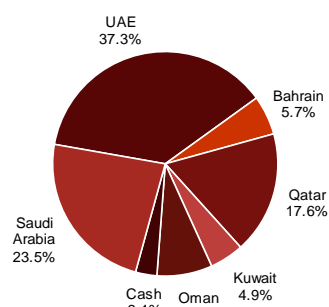
Morningstar Rating 5 Year



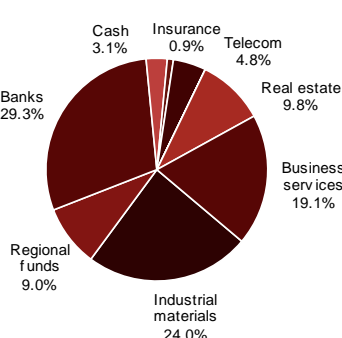
Historical Returns*

	1 month	12 months	36 months	2015-2016 average	2014-2016 average	2012-2016 average	YTD
Fund	-0.41%	-0.31%	-20.84%	-9.09%	-2.58%	9.17%	-1.56%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
EFG-Hermes Saudi Arabia Equity	8.96%
Ras Al Khaimah Ceramics	8.16%
Bank Muscat	7.95%
Dubai Islamic Bank	7.29%
Sipchem	7.15%
Emaar Properties	7.13%
Aluminium Bahrain	5.10%
Union National Bank	4.75%
Emirates NBD	4.50%
Fawaz Abdulaziz Alhokair	4.46%
Value of top 10 Investments	65%
Total Number of Investments	23

Fund Details

Type:	eurofund (SICAV, UCITS IV)	Depository:	Swedbank AB (publ) Luxembourg Branch
ISIN of share:	LU1138349862	Issue and Redemption Fee:	0%
Registrar of share:	Swedbank AB (publ) Luxembourg Branch	Investment Management Fee:	1.75%
Fund Manager:	Joel Kukemelk	Launched:	2/13/2008, re-domiciled 4/13/2015

*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.