

LHV Persian Gulf Fund

31-Aug-14

Monthly Return 5.56%
NAV of A unit 15.7748 EUR
NAV of B unit 10.0801 EUR
Fund Size EUR 59 209 337
LHV Asset Management EUR 492 492 264

Fund Manager's Comment



Joel Kukemelk

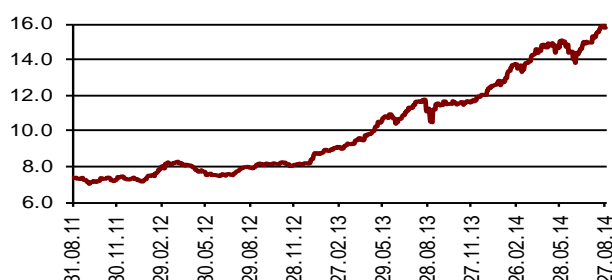


In August GCC stock markets rally continued with LHV Persian Gulf Fund's performance of +5.6%. Strongest markets in the GCC region were Saudi Arabia and Oman that increased (local currency, net) by +8.8% and +3.5% respectively.

Strong economic environment in the GCC countries continues to support stock market rally and creates an excellent environment for the companies to grow their earnings. UAE's August PMI (purchasing managers' index in the manufacturing sector) outside energy sector was 58.4 points. This is the highest reading in the UAE since data collection began in 2009 and indicates very strong economic environment. Saudi Arabia's August PMI was 60.7 points which marks three year high. Index values greater than 50 indicate economic expansion.

GCC countries' 2015 P/E multiples are currently mostly between 11x-15x. With rising stock markets even more emphasis needs to be put on picking single investments from the region but for making long-term investments these multiples continue to be attractive given the region's very strong economic growth environment.

A unit price movement (last 36 months)



Investment Objective

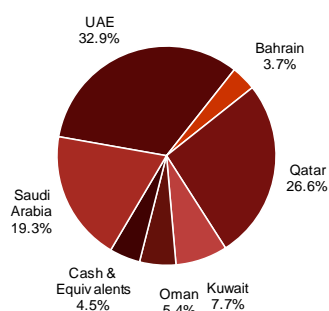
LHV Persian Gulf Fund invests in listed equities in the GCC (Gulf Cooperation Council) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia. Due to the specific nature of the fund, the recommended minimum investment period is at least 3 to 5 years.



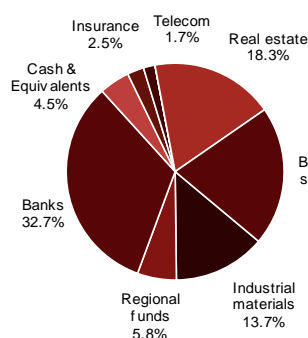
Historical Returns*

	1 month	12 months	36 months	2012-2013 average	2011-2013 average	2009-2013 average	YTD
Fund	5.56%	41.96%	113.92%	29.50%	17.87%	17.06%	28.62%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Emaar Properties	8.94%
Qatar National Bank	8.18%
Agility Public Warehousing	6.10%
EFG-Hermes Saudi Arabia Equity	5.80%
Union National Bank	4.95%
Ras Al Khaimah Ceramics	4.88%
First Gulf Bank	4.46%
Doha Bank	4.29%
Bank Muscat	3.90%
Samba Financial Group	3.52%
Value of top 10 Investments	55%
Total Number of Investments	34

Fund Details

Type:	eurofund (UCITS IV)	Depositary:	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. Source & Copyright: CITYWIRE. Joel Kukemelk is A rated by Citywire for his 3 year risk adjusted performance for the period 31.07.2011 – 31.07.2014. Starting from 01.03.2014, the historical annual performance figures are geometrical averages.