

LHV Persian Gulf Fund

31-Oct-13

Monthly Return

0.57%

NAV of A unit

11.5264 EUR

NAV of B unit

7.3654 EUR

Fund Size

EUR 22 195 731

Fund Manager's Comment

Joel Kukemelk

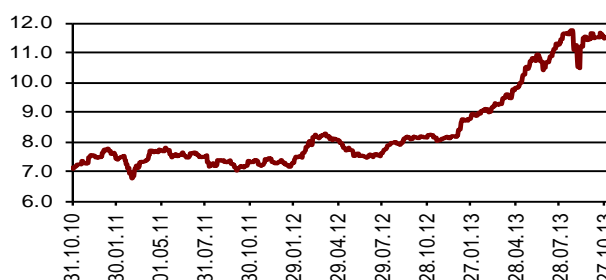


In October Middle Eastern countries celebrated the Eid al-Adha holiday (following the Hajj pilgrimage) from which over million people took part in Saudi Arabia. GCC markets were in the middle of the month because of that holiday closed for over a week and trading activity remained slower than average for the whole month. Therefore after volatile September markets moved mainly sideways in October. In October MSCI GCC ex Saudi Arabia index (local currency, net) increased by +1.3%, among the GCC countries the strongest market was the UAE with +2.8% gain, the weakest market was Oman with -1.6% loss. LHV Persian Gulf Fund increased by +0.6% in October, the year-to-date return for the fund is now +40.5%.

Out of all of our fund investments the best stock in October was UAE's Dubai Financial Market with +14% gain, the worst stock was Saudi Arabia's electronic retailer United Electronics whose shares slumped by -15% during the month. In October we added one new investment from the United Arab Emirates to the fund portfolio and at the end of the month we had 35 different investments in the fund.

In November I'll be participating in FundForum's large Middle-Eastern conference held in Dubai where I will also be taking part in a panel discussion with the aim of discussing why GCC markets should be looked at separately from the wider MENA region. At the end of November it will be decided where Expo 2020 will be hosted and it is great pleasure to see that Dubai is currently one of the favourites in this race.

A unit price movement (last 36 months)



Investment Objective

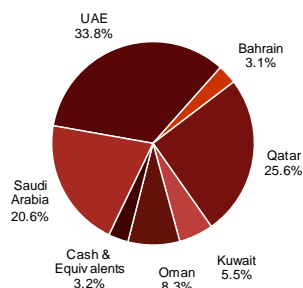
LHV Persian Gulf Fund invests in listed equities in the GCC (*Gulf Cooperation Council*) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia.

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

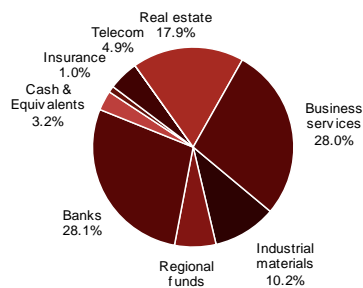
Historical Returns*

	1 month	12 months	36 months	2011-2012 average	2010-2012 average	YTD
Fund	0.57%	40.76%	61.95%	4.92%	10.02%	40.48%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Emaar Properties Limited	8.21%
Dubai Financial Market	7.34%
EFG-Hermes Saudi Arabia Equity	6.64%
First Gulf Bank	5.84%
Air Arabia	4.90%
Union National Bank	4.63%
Bank Muscat SAOG	4.62%
United Electronics	4.55%
Samba Financial Group	4.39%
Qatar Fuel Company	4.39%
Value of TOP 10 Investments	56%
Total Number of Investments	35

Fund Details

Type: eurofund (*UCITS IV*)
 ISIN of A-unit: EE3600095287 (EUR)
 Registrar of A-units: AS LHV Pank
 ISIN of B-unit: EE3600095295 (EUR)
 Registrar of B-units: EVK
 Fund Managers: Joel Kukemelk

Depository: AS Swedbank
 Issue Fee: 0%
 Management Fee: 1.75%
 Redemption Fee: 1%
 Established: 1/10/2008
 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.