

LHV Persian Gulf Fund

31-Dec-15

Monthly Return -3.28%
NAV of share 11.4563 EUR
Fund Size EUR 12 359 490
LHV Asset Management EUR 570 221 092

Fund Manager's Comment



Joel Kukemelk



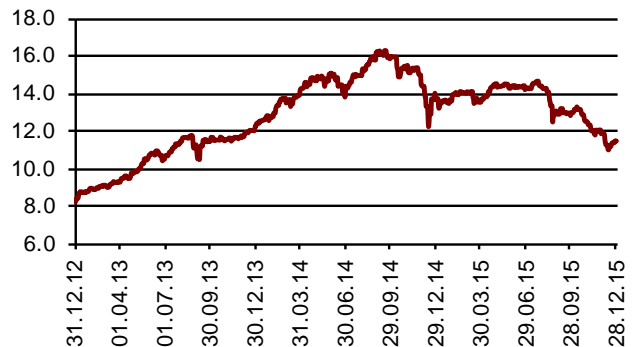
In December LHV Persian Gulf Fund lost -3.3%. Month's strongest (MSCI, local currency, net) stock market was Qatar with +4.2% gain and weakest was Saudi Arabia with -4.5% loss. Full year result for 2015 clocked in at -16.5% for LHV Persian Gulf Fund, at the same time MSCI GCC

ex Saudi Arabia index lost -17.1%.

When looking at fund's individual positions then in 2015 the best result was shown by our biggest investment of Ras Al Khaimah Ceramics that rose by +29.0%. Qatar Electricity & Water and Al Meera Consumer Goods also made top three with respective returns of +19.9% and +14.7%. Fund portfolio's weakest three names came all from Saudi Arabia – Saudi Airlines Catering fell by -30.6% in 2015, Savola declined by -34.2% and Saudi International Petrochemical Company slumped by -44.9%.

The positive side of today's low oil prices is that GCC countries have enough reserves to overcome even a prolonged multi-year slump in energy prices, it strengthens GCC energy sector's global competitiveness and, most importantly, this crisis hasn't been wasted from the viewpoint of reforms. During the last half year almost all GCC countries have announced various reforms, subsidy cuts and plans to reduce government budget revenues' dependence on energy sector that over the long term makes these countries much stronger.

Share price movement (last 36 months)



Investment Objective

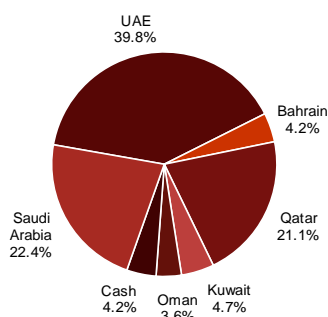
LHV Persian Gulf Fund invests in listed equities in the GCC (*Gulf Cooperation Council*) region – Bahrain, Oman, Qatar, Kuwait, United Arab Emirates and Saudi Arabia. Due to the specific nature of the fund, the recommended minimum investment period is at least 3 to 5 years.



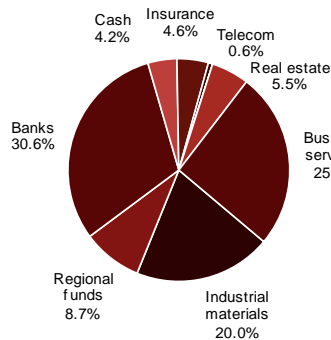
Historical Returns*

	1 month	12 months	36 months	2014-2015 average	2013-2015 average	2011-2015 average	YTD
Fund	-3.28%	-16.50%	39.62%	-3.35%	11.77%	8.87%	-16.50%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Ras Al Khaimah Ceramics	9.39%
EFG-Hermes Saudi Arabia Equity	8.70%
Dubai Islamic Bank	8.59%
Qatar Fuel Company	8.35%
Union National Bank	7.03%
Qatar Insurance Company	4.58%
Agility Public Warehousing	4.04%
Emirates NBD	3.85%
Bank Muscat	3.63%
Aluminium Bahrain	3.57%
Value of top 10 Investments	62%
Total Number of Investments	28

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.

Source & Copyright: CITYWIRE. Joel Kukemelk is + rated by Citywire for his 3 year risk adjusted performance for the period 30.11.2012 – 30.11.2015.

Historical annual average performance figures are geometrical averages based on last calendar years.