

LHV Persian Gulf Fund

31-Oct-12

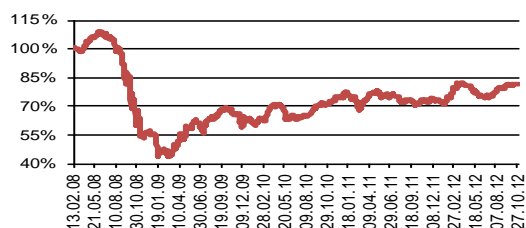
Monthly Return 1.34%
NAV of A unit 8.1889 EUR
NAV of B unit 5.2327 EUR
Fund Size EUR 3 792 902

Investment Objective

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

As growth and opportunity is seen outside the energy sector, the majority of the Fund's assets are invested in banking, insurance, infrastructure, communication, construction, power and water sectors.

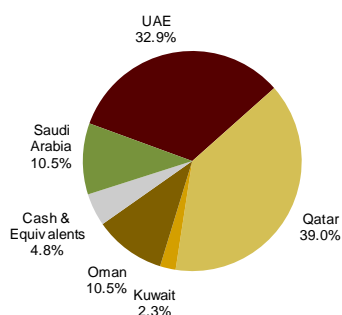
Performance History



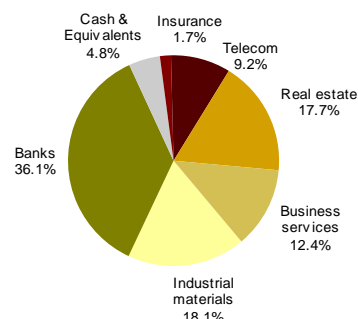
Historical Returns*

	1 month	1 year	2010-2011 average	2009-2011 average	YTD	Since Inception	Since Incep. p.a.
Fund	1.34%	11.47%	8.93%	9.84%	11.97%	-18.11%	-4.20%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
First Gulf Bank share	7.40%
Industries Qatar QSC share	6.79%
Emaar Properties Limited share	6.49%
Qatar Fuel Company share	6.46%
Commercial Bank of Qatar share	5.86%
Sorouh Real Estate Co share	5.07%
Al-Dar Properties PJSC share	4.81%
Oman Telecom share	4.62%
Qatar Telecom share	4.54%
Bank Muscat SAOG share	4.27%
Value of TOP 10 Investments	56%
Total Number of Investments	29

Fund Manager's Comment

In October the fund's net asset value gained by +1.3 % and this brings year to date result to +12%. October marked the fourth consecutive month with positive returns.

Majority of the fund's investments reported their Q3 results in October. From our biggest investments would like to highlight First Gulf Bank (bank from the UAE), Industries Qatar (industrial company from Qatar) and Bank Muscat (bank from Oman) that all beat expectations. These companies showed respective year over year net income growth of +15%, +26% and +20%. Some companies also disappointed – for example Emaar Properties (real estate developer from the UAE) who's share price has already rallied hard this year and this has increased marked expectations. In general, Q3 results were certainly encouraging and companies in the region look to the future with greater optimism than their competitors in the western world.

Investments in LHV Persian Gulf Fund continue to trade at very attractive levels – at the end of October the weighted harmonic mean P/E of all the investments in LHV Persian Gulf Fund stood at only 9.9x, P/B at 1.2x and dividend yield is 4.5% (computed using 2011 financials). As a reminder once again - since mid-September we've reduced LHV Persian Gulf Fund unit issuance fee from 2% to 0%.

Joel Kukemelk & Mikael Kvibäck

Fund Details

Type: UCITS
 ISIN of A-unit: EE3600095287 (EUR)
 Registrar of A-units: AS LHV Pank
 ISIN of B-unit: EE3600095295 (EUR)
 Registrar of B-units: EVK
 Depository: AS Swedbank
 Fund Managers: Joel Kukemelk, Mikael Kvibäck

Issue Fee: 0%
 Management Fee: 1.75%
 Redemption Fee: 1.0%
 Established: 1/10/2008
 Launched: 2/13/2008

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*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 simplified prospectus and ask for additional information lhv.ee/persian.