

# LHV Persian Gulf Fund

30 June 2018

Monthly Return **-0.18%**  
 NAV of share **11.3296 EUR**  
 Fund Size **9 128 330 EUR**  
 LHV Asset Management **1 166 553 268 EUR**



## Fund Manager's Comment Joel Kukemelk

LHV Persian Gulf Fund's performance in June was -0.2% bringing year to date result to +0.5%. The strongest market in June was Kuwait that rallied by +5.0% (MSCI index, local currency, net) and weakest market was Oman that declined by -3.7%.

On June 20th MSCI announced that Saudi Arabia will be added to MSCI Emerging Market Index (decision will be implemented in two steps next year in May and August) and that Kuwait was put on review list for potential upgrade next year. These decisions are important for the whole GCC region because already next year the region's weight in global emerging market indices increase to above 5%.

On June 22nd OPEC held its bi-annual meeting where they decided that production cuts that have been in place for 1.5 years have achieved their target – oil inventories have fallen to their long-term averages and oil prices have risen to \$70-\$80 range. To offset falling involuntary production losses by some of the OPEC member states (Venezuela, Libya, Angola) it was decided that out of 1.8 mln previously announced production cut 1.0 mln barrels of additional oil will be brought back to the market. In a situation where US is pressuring clients purchasing their oil from Iran to find themselves alternative oil suppliers starting from November, new oil brought to the market by other members might actually end up not significantly increasing the total supply in the market at all.

As of end of June the fund's single investments' portfolio trades at just 8.2x 12 month estimated P/E, 1.0x trailing P/B and offers 4.4% 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.

### Share price movement (last 36 months)



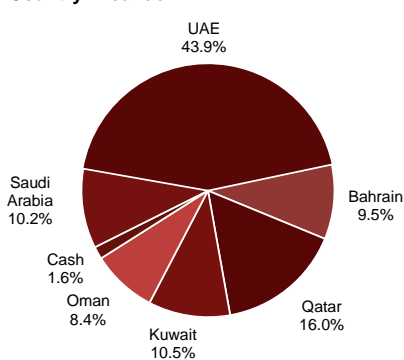
### Fund Details

Type: eurofund (SICAV, UCITS IV)  
 ISIN: LU1138349862  
 Depository and Registrar: Swedbank AB (publ) Luxembourg Branch  
 Fund Manager: Joel Kukemelk  
 Issue and Redemption Fee: 0%  
 Investment Management Fee: 1.75%  
 Launched: 13.02.2008  
 Re-domiciled: 13.04.2015

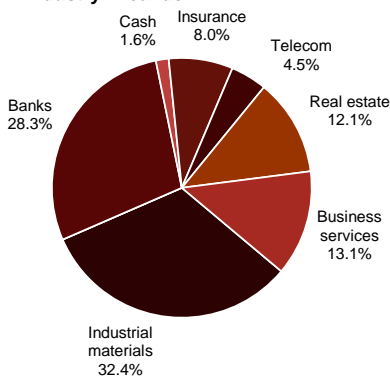
### Historical Returns\*

	1 month	12 months	36 months	2016-2017 average	2015-2017 average	2013-2017 average	YTD
Fund	-0.18%	0.77%	-20.54%	-0.80%	-6.34%	6.56%	0.50%

### Country Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
Aluminium Bahrain	9.53%
Ras Al Khaimah Ceramics	8.77%
Bank Muscat	8.37%
Emirates NBD	6.31%
Depa	6.12%
National Bank of Kuwait	4.69%
Qatar Fuel Company	4.57%
Emaar Development PJSC	4.57%
Union National Bank	4.55%
Ooredoo	4.52%
Value of top 10 Investments	62%
Total Number of Investments	22

\*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.