

# LHV Persian Gulf Fund

31 October 2018

Monthly Return **-1.04%**  
 NAV of share **11.2477 EUR**  
 Fund Size **8 589 698 EUR**  
 LHV Asset Management **1 208 197 186 EUR**

## Fund Manager's Comment Joel Kukemelk



LHV Persian Gulf Fund's performance in October was -1.0% bringing year to date result to -0.2%. The strongest market in October was Qatar that rallied by +7.4% (MSCI index, local currency, net) and weakest market was Bahrain that declined by -3.4%.

Fund's investments into Saudi Arabia have increased to 25% and therefore we are well positioned to benefit from the likely inflow of foreign investor money into Saudi Arabian stock exchange in 2019 on the back of implementation of MSCI and FTSE index inclusions.

In October we completely exited our position in Ooredoo from Qatar and added consumer discretionary company Jarir from Saudi Arabia to the fund portfolio. During the month Saudi Arabia announced that due to higher energy prices and higher oil production volumes they are reinstating from the beginning of next year government sector employee bonuses and allowances that had been scrapped for three years. This means better economic environment and higher consumer confidence in Saudi Arabia for next year.

As of end of October fund's investment portfolio trades at just 8.0x 12 month estimated P/E, 1.1x trailing P/B and offers 5.1% 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)



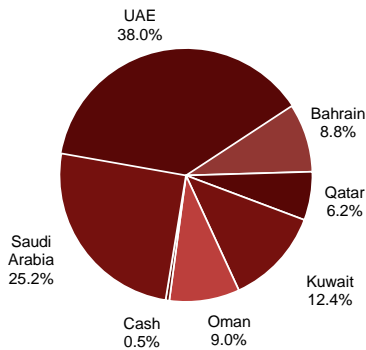
### Fund Details

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

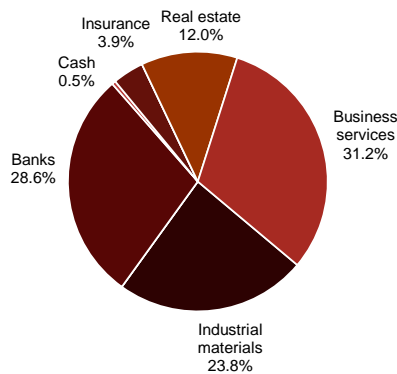
### Historical Returns\*

	1 month	12 months	36 months	2016-2017 average	2015-2017 average	2013-2017 average	YTD
Fund	-1.04%	-1.18%	-10.06%	-0.80%	-6.34%	6.56%	-0.22%

### Country Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
Bank Muscat	8.98%
Aluminium Bahrain	8.78%
Ras Al Khaimah Ceramics	8.27%
United Electronics Co	7.10%
Emirates NBD	6.50%
Emaar Properties	4.93%
Depa	4.65%
Dubai Islamic Bank	4.57%
Abdullah Al Othaim Markets Co	4.28%
National Bank of Kuwait	4.17%
Value of top 10 Investments	62%
Total Number of Investments	23

\*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](http://lhv.ee/persian).

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