

# LHV Persian Gulf Fund

28 February 2019

Monthly Return **-1.05%**  
 NAV of share **10.7031 EUR**  
 Fund Size **4 999 126 EUR**  
 LHV Asset Management **1 245 863 704 EUR**

## Fund Manager's Comment Joel Kukemelk



LHV Persian Gulf Fund's performance in February was -1.0%. The strongest GCC market in February was Bahrain that rallied by +4.5% (MSCI index, local currency, net) and weakest market was Qatar that declined by -5.0%.

Majority of our fund investments reported their Q4 financial results in February. The biggest positive surprise came from the United Arab Emirates real estate sector where on the back of very low expectations Emaar Properties and Aldar Properties issued better than expected outlook for the ongoing year. This was followed by Morgan Stanley's general upgrade to UAE equities from "underweight" to "overweight". In LHV Persian Gulf Fund we have taken notice of the cheap valuation levels in the UAE for some time already and as a result 33% of the fund portfolio is invested in the UAE companies.

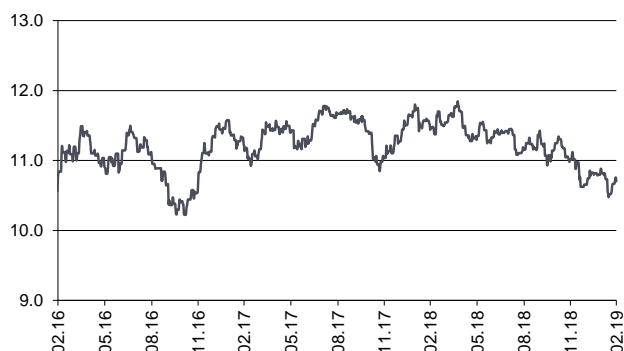
Due to the emerging market index upgrade implementations by FTSE and MSCI, Saudi Arabia's stock market will attract foreign investors' money this year almost on a monthly basis - in March, April, May, June, August, September and in March 2020. LHV Persian Gulf Fund's investments to Saudi Arabia amount to 32%.

As of end of February fund's investment portfolio trades at just 8.0x 12 month estimated P/E, 1.0x trailing P/B and offers 5.0% 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)



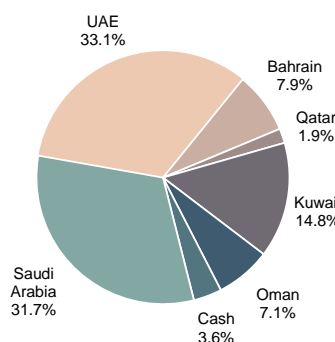
### Fund Details

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

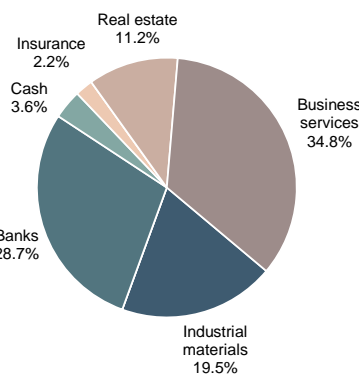
### Historical Returns\*

	1 month	12 months	36 months	2017-2018 average	2016-2018 average	2014-2018 average	YTD
Fund	-1.05%	-6.43%	-0.56%	-3.07%	-2.39%	-2.78%	0.47%

### Country Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
Emirates NBD	9.09%
United Electronics Co	8.53%
Aluminium Bahrain	7.87%
Bank Muscat	7.09%
Depa	5.20%
Al Rajhi Bank	4.84%
United International Transport	4.79%
Agility Public Warehousing	4.77%
Abdullah Al Othaim Markets Co	4.69%
Emaar Properties	4.10%
Value of top 10 Investments	61%
Total Number of Investments	21

\*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.