

# LHV Persian Gulf Fund

30 April 2019

Monthly Return **6.13%**  
 NAV of share **11.7610 EUR**  
 Fund Size **4 794 378 EUR**  
 LHV Asset Management **1 275 474 599 EUR**



## Fund Manager's Comment Joel Kukemelk

LHV Persian Gulf Fund's performance in April was +6.1%. The strongest GCC market in April was Bahrain that rallied by +7.5% (MSCI index, local currency, net) and weakest market was Oman that declined by -0.8%.

Our biggest investment, Emirates NBD, increased in April by +19%. We slightly decreased our position there in order to stay within allowed investment limits but we continue to hold a close-to-maximum allocation of 9%-10% in that name. In relation to finalising the acquisition deal of Denizbank we expect to see a share issue and a meaningful boost to current very low foreign ownership limit of 5% - this has been the main reason why value hidden in these shares has not reached common investors so far.

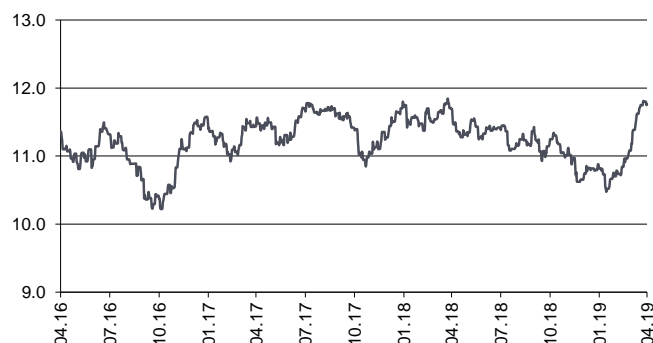
In April we bought shares in Kuwait's airline Jazeera Airways – we did so before the company announced strong Q1 financial numbers as sometime before that there were false rumours in the media about possible damage claims related to a certain accident. With the benefit of hindsight, this proved to be a great buying opportunity that we managed to capitalise on. In addition to that we also initiated a position in Saudi Arabia's clothing retailer Alhokair as we believe in the recovery of Saudi Arabia's consumer confidence and consumer spending.

As of end of April fund's investment portfolio trades at just 9.3x 12 month estimated P/E, 1.2x trailing P/B and offers 4.2% 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)



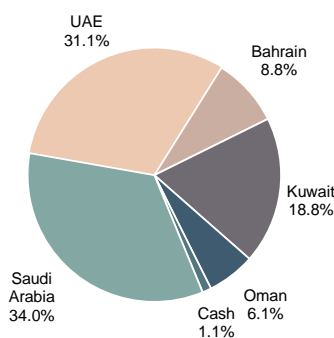
### Fund Details

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

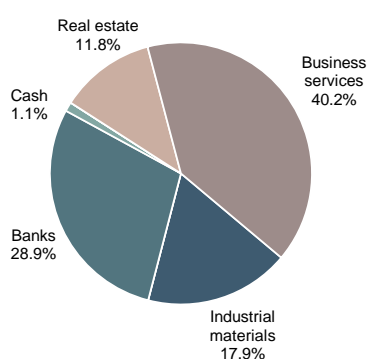
### Historical Returns\*

	1 month	12 months	36 months	2017-2018 average	2016-2018 average	2014-2018 average	YTD
Fund	6.13%	0.60%	3.55%	-3.07%	-2.39%	-2.78%	10.40%

### Country Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
Emirates NBD	9.37%
United Electronics Co	9.26%
Aluminium Bahrain	8.79%
Bank Muscat	6.14%
Al Rajhi Bank	4.86%
Seera Group Holding	4.70%
National Bank of Kuwait	4.62%
Agility Public Warehousing	4.36%
Emaar Properties	4.25%
United International Transport	4.13%
Value of top 10 Investments	60%
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](http://lhv.ee/persian).

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