

## LHV Persian Gulf Fund

31-Jul-08

Monthly Return **-1.70%**

NAV of A unit **EUR 10.4897**

NAV of B unit **EEK 104.8972**

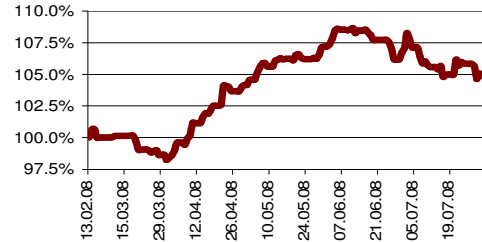
Fund Size **EUR 6,436,993**

### Investment Objective

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

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.

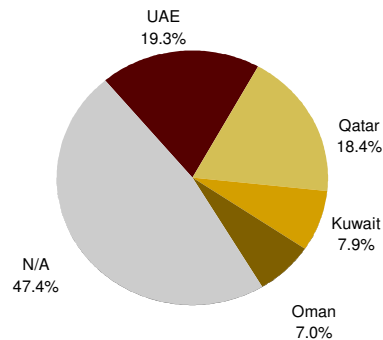
### Performance History



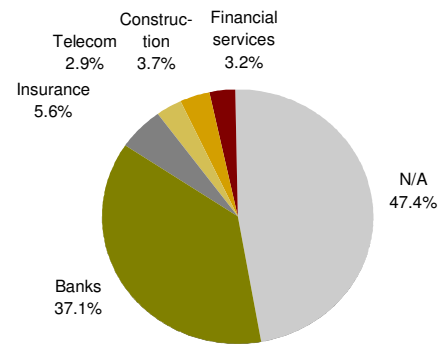
### Historical Returns

	1 month	3 months	6 months	12 months	YTD	Since Inception	Since Incep. p.a.
Fund	-1.70%	0.30%	-	-	4.90%	4.90%	-

### Country Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
Qatar National Bank (QA)	6.20%
First Gulf Bank (AE)	6.19%
Commercial Bank of Qatar (QA)	5.67%
Qatar Insurance Company (QA)	5.63%
National Bank of Abu Dhabi (AE)	5.26%
Aldar Properties (AE)	3.96%
Bank Muscat (OM)	3.66%
Shuaa Capital (AE)	3.21%
Burgan Bank (KW)	3.03%
Bank Dhofar (OM)	2.99%
Value of TOP 10 Investments	45.8%
Total Number of Investments	14

### Fund Manager's Comment

Correction that started in June continued in July and most of the markets ended the month lower as trading activity during summer months is more modest. Worst performer was Oman (-5.17%), followed by Kuwait (-3.1%) and Qatar (-2.5%). The strongest was Abu Dhabi (+0.45%). Reporting season kicked off in mid-July and most companies in fund's portfolio have reported their second quarter results.

Qatar and Abu Dhabi banks exceeded expectations, as second quarter profit growth was 60-70% YOY, maintaining loan book quality and strong spread. Growth was backed by strong loan and deposit growth.

Although results from Oman were strong, the market was affected by the central bank's decision to limit loan growth to contain inflation. Results from Kuwait have been modest, as expected.

Taking into account selling pressure during last months and strong results, we are expecting stronger second half of the year.

### Fund Details

Type: UCITS	Issue Fee 2%
ISIN of A-unit: EE3600095287 (EUR)	Management Fee 1.75%
Registrar of A-units: LHV	Redemption Fee 1%
ISIN of B-unit: EE3600095295 (EEK)	Success Fee 15% over 10% hurdle
Registrar of B-units: EVK	Established: 1/10/2008
Fund Manager: Oliver Ait	Launched: 2/13/2008
Depository: Hansabank (Swedbank)	

### Contacts

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