

## LHV Emerging Europe Alpha Fund

30-Nov-09

Monthly Return

-1.99%

NAV of A unit

EUR 3.7544

NAV of B unit

EEK 37.5440

Fund Size

EUR 423,395

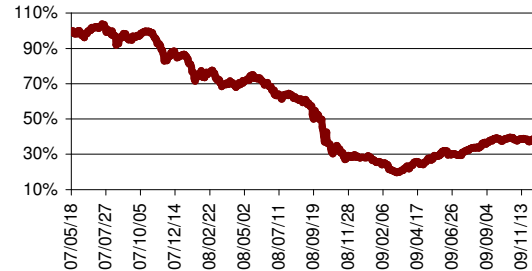
### Investment Objective

The Fund aims to benefit from EU convergence trends and rising consumer spending in emerging Europe.

The Fund invests actively in listed final consumer oriented companies that gain from increasing household income and emergence of middle class in Eastern Europe, including Russia and Ukraine.

The Fund picks companies with profitable operations, strong brand identity, distribution reach and pricing power mostly from the following industries: retail, banks, finance, real estate, construction and entertainment.

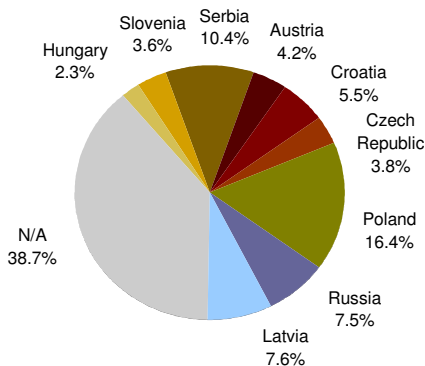
### Performance History



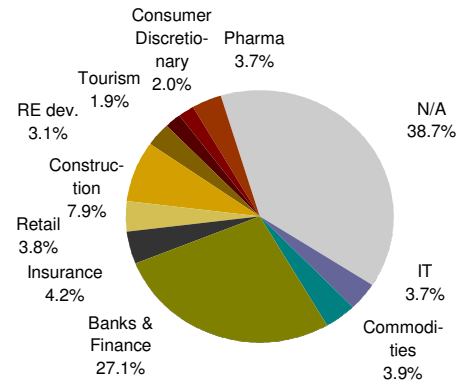
### Historical Returns

	1 month	3 months	6 months	12 months	YTD	Since Inception	Since Incep. p.a.
Fund	-1.99%	2.04%	28.15%	28.38%	33.87%	-62.46%	-32.02%

### Country Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
Sberbank (RU)	7.46%
PKO Bank Polski (PL)	5.33%
AIK Banka (RS)	4.65%
Raiffeisen Intl Bank Holding (AT)	4.20%
SIA Ventspils nafta (LV)	3.93%
Komerčni Banka (CZ)	3.78%
Asseco Poland SA (PL)	3.67%
Grindeks AS (LV)	3.65%
IGH (HR)	3.12%
LC Corp SA (PL)	3.07%
Value of TOP 10 Investments	43%
Total Number of Investments	20

### Fund Manager's Comment

U.S. FED decision to keep interest rates at historic low of 0-0,25% for an extended period encouraged investors to sell currency in search of higher-yield assets provoking a wave of stock prices rise. However, some CEE economies like Serbia and Croatia which were hit harder by economic downturn remained indifferent to global bullish mood and fluctuated without a clear trend or even turned lower. Erste analysts claim the two are the only countries in CEE that will not see a GDP growth in 2010.

The end of November was marked by worries on Dubai when state controlled Dubai World asked creditors to delay maturity of its multi-billion debt. This caused a severe correction in stock markets but the effect was transitory as experts calmed that the debt revelations from Dubai will not lead the global economy back into recession. A pleasant surprise was pre-sented by Poland which GDP rose 1,7% y/y in 3Q. It might be the only country to grow this year in CEE. The Czech economy shrank by 4,1%, the Hungarian by 7,2% and the Croatian by 5,8% in 3Q.

### Fund Details

Type: UCITS  
 ISIN of A-unit: EE3600090593 (EUR)  
 Registrar of A-units: LHV Pank  
 ISIN of B-unit: EE3600097507 (EEK)  
 Registrar of B-units: EVK  
 Fund Manager: Mihkel Oja  
 Depository: Swedbank

Issue Fee: 2.0%  
 Management Fee: 2.5%  
 Redemption Fee: 0.0%

Established: 2007.04.12  
 Launched: 2007.05.18