

LHV Persian Gulf Fund

31-May-10

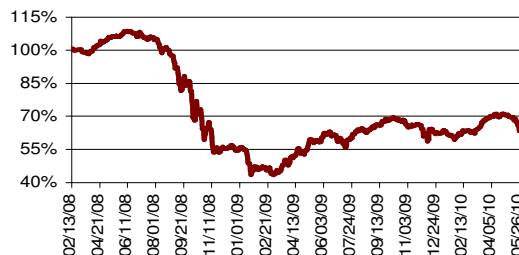
Monthly Return -9.73%
NAV of A unit EUR 6.3804
NAV of B unit EEK 63.8044
Fund Size EUR 3,895,692

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.

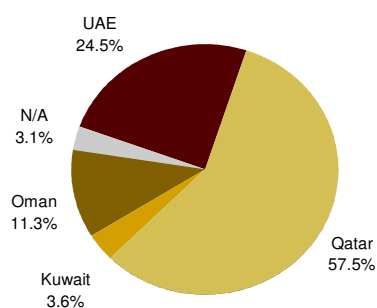
Performance History



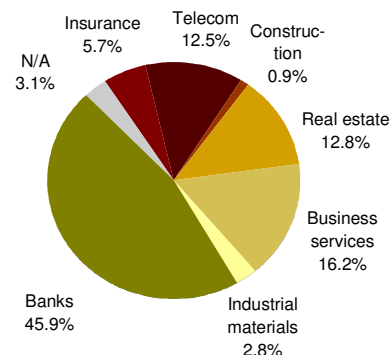
Historical Returns

	1 month	3 months	6 months	12 months	YTD	Since Inception	Since Incep. p.a.
Fund	-9.73%	1.71%	-0.65%	9.19%	2.41%	-36.20%	-18.18%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Qatar Fuel Company (QA)	10.36% *
Qatar National Bank (QA)	9.81%
Commercial Bank of Qatar (QA)	9.29%
Qatar Insurance Company (QA)	5.66%
National Bank of Abu Dhabi (AE)	5.04%
Qatar Telecom (QA)	4.81%
Bank Muscat SAOG (OM)	4.71%
First Gulf Bank (AE)	4.44%
Oman Telecom (OM)	4.10%
Sorouh Real Estate Co. (AE)	4.02%
Value of TOP 10 Investments	62%
Total Number of Investments	23

* Modified under 10% on 1st of June

Fund Manager's Comment

After Q3 earnings releases and huge rally in March, GCC markets were all in red in May. Correction on global markets as problems in Eurozone kept unfolding and lower liquidity as summer months are approaching added to the higher volatility. Most indexes dropped 6-10%, with Qatar being the biggest loser.

Stronger dollar and speculations on lower demand from China have sent oil prices to the lower levels, also creating some nervousness. Slightly contradictorily, we are seeing some signs of returning foreign interest to the markets.

Another Government related entity, Dubai International Capital (DIC), a subsidiary of Dubai Holding, issued a press release requesting a three month debt extension (i.e. until Sept 2010) on some of its debt maturities. The extension request was agreed by a coordinating committee of lenders (led by HSBC and Emirates NBD). Dubai Holding's debt restructuring has been a long anticipated event and its effects should be contained.

Fund Details

Type: UCITS
 ISIN of A-unit: EE3600095287 (EUR)
 Registrar of A-units: LHV Pank
 ISIN of B-unit: EE3600095295 (EEK)
 Registrar of B-units: EVK
 Depository: Swedbank
 Fund Manager: Oliver Ait

Issue Fee: 2.0%
 Management Fee: 1.75%
 Redemption Fee: 1.0%
 Success fee: 15% over 10% hurdle
 Established: 2008.01.10
 Launched: 2008.02.13

Contacts

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