

LHV Persian Gulf Fund

31-Aug-08

Monthly Return -7.00%

NAV of A unit EUR 9.7554

NAV of B unit EEK 97.5543

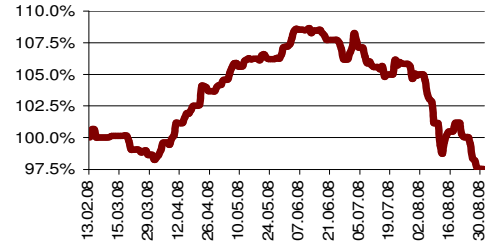
Fund Size EUR 6,098,249

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.

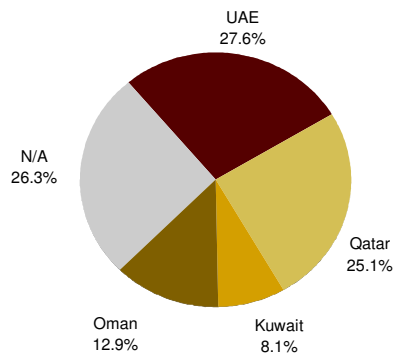
Performance History



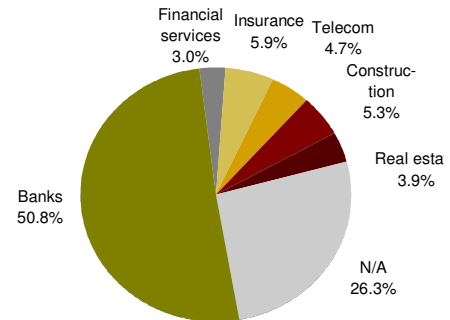
Historical Returns

	1 month	3 months	6 months	12 months	YTD	Since Inception	Since Incep. p.a.
Fund	-7.00%	-9.16%	-2.45%	-	-2.45%	-2.45%	-

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
First Gulf Bank (AE)	7.16%
Commercial Bank of Qatar (QA)	6.78%
Qatar National Bank (QA)	6.31%
Qatar Insurance Company (QA)	5.91%
National Bank of Abu Dhabi (AE)	5.76%
Bank Muscat (OM)	5.56%
Aldar Properties (AE)	5.34%
Burgan Bank (KW)	3.28%
Bank Dhofar (OM)	3.05%
Shuaa Capital (AE)	3.05%
Value of TOP 10 Investments	52.2%
Total Number of Investments	22

Fund Manager's Comment

August was very negative month for GCC markets. Market participants are on vacation and Holy Month Ramadan starts in September, which also means continuation of low liquidity and slow trading activity. Foreigners have been net sellers as they have been reducing positions in GCC markets because of global economic problems and therefore inducing panic among local investors.

During August we used weakness as buying opportunity and invested funds assets more aggressively as valuations have become very attractive. We are expecting liquidity to return in the middle of September.

Stock markets in United Arab Emirates declined aggressively as Abu Dhabi index lost 11.3% of its value and Dubai 11.4%. Qatar, Oman and Kuwait dropped 11.5%, 9.5% and 3.2%, respectively.

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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