

LHV World Equities Fund

REPORT ISSUANCE DATE

30.09.2026

Comment from the fund manager

Mikk Taras



In September, the cost of money continued to rise and interest rates moved higher. Equity markets split in two: the AI rally carried on in the technology sector, while most other sectors came under selling pressure. The fund's unit value fell 3.5%. The biggest decliners were Antero Resources, copper miners ETF, and Builders FirstSource.

The month's top performer was Fortum, supported by the plan of Google's parent company to build one of Europe's largest data centres in Finland. The main driver behind Google's investment was the long-term energy contract offered by Fortum. With the rise in the share price, our Fortum thesis has partly played out. During the month, we sold our Teledyne shares. In September, the company announced that the executive responsible for acquisitions is leaving.

Overall, the fund's positions have not performed well since the start of the war in Iran. Our bets on rising German infrastructure investment failed at the company level. In the US natural gas market, we underestimated supply growth. We bought interest-rate-sensitive stocks too early, expecting the US housing market to have bottomed out. What has saved the day are the gainers, all of which are linked in one way or another to data centre construction: Fortum, Microsoft and United Rentals.

In autumn, we cleaned up the fund and sold names where the theses are not working. In September, we exited our Germany-focused investments. We made a bet on Germany's growing infrastructure spending, but the companies we bought were weak. We sold our Vossloh and Bechtle shares. In Europe, Nordic companies offer good growth opportunities. The Nordics currently offer much of what Europe is sorely lacking: defence technology, electrical systems engineering, natural resources and cheap electricity. Nor can the region's stable macroeconomic environment be underestimated. The fund's largest Nordic equity positions are Investor AB, Lifco, Epiroc, Stora Enso and Atlas Copco. As a new investment, we bought QXO shares. QXO is one of the leading distributors of building materials in the US. It is a somewhat unusual bet, mainly because of the company's owner and CEO Brad Jacobs, one of the most successful business consolidators in US history. Jacobs' signature approach is to buy old-school businesses that make little use of technology. After acquiring a few large market players, Jacobs and his team go on to consolidate other large companies into the platform and push technological innovation into the business processes.

From a broader perspective, we are in an economic environment that should be able to withstand the rise in interest rates so far, just as economies withstood the energy price spike that followed the war in Iran. Higher interest rates mainly reflect increased demand for credit, driven by the enormous build-out of data centres and simultaneous heavy government spending – all of which requires borrowed money.

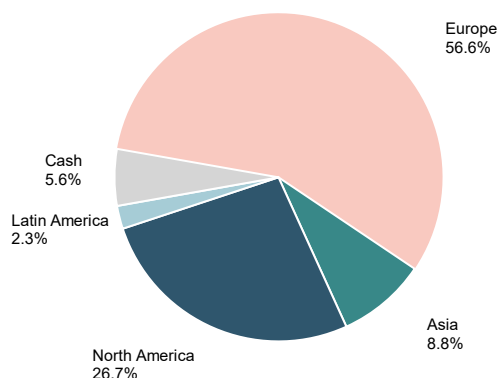
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ISIN	EE3600092417
FOUNDED	27.04.2007
START OF OPERATION	13.08.2007
ASSET CLASS	Equities
FUND SIZE	10 700 773 EUR

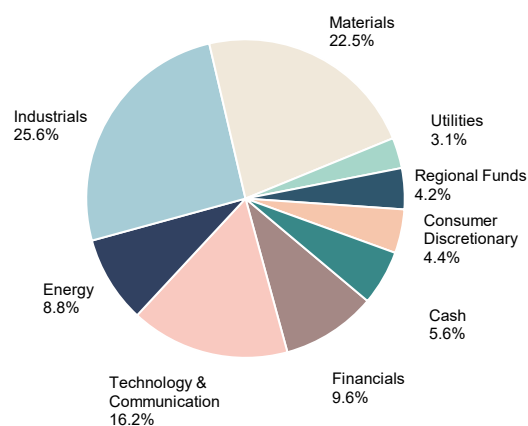
TOP10 INVESTMENTS

AMUNDI EURO STOXX BANKS UCITS ETF	5.33 %
GLOBAL X COPPER MINERS ETF	4.81 %
TOTALENERGIES	4.58 %
INVESTOR	4.32 %
ISHARES MSCI CHINA ETF	4.17 %
LIFCO	4.04 %
MICROSOFT CORP	3.97 %
EPIROC A	3.86 %
STORA ENSO	3.32 %
ATLAS COPCO	3.15 %
VALUE OF TOP 10 INVESTMENTS	41.53 %
TOTAL NUMBER OF INVESTMENTS	33

Geographical Breakdown



Industry Breakdown



Historical Results

	1 month	12 months	36 months	2024-2025 average	2023-2025 average	2021-2025 average	YTD
Fund	-3.50%	7.06%	25.40%	8.93%	7.36%	4.78%	3.02%

Share Price Movement



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