

LHV Persian Gulf Fund

30-Oct-09

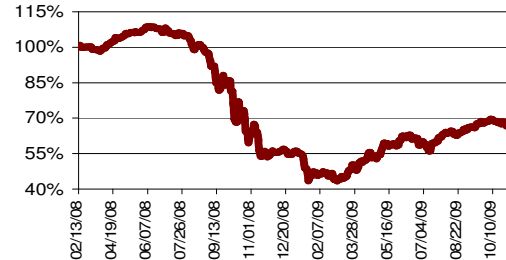
Monthly Return -2.30%
NAV of A unit EUR 6.6648
NAV of B unit EEK 66.6478
Fund Size EUR 5,976,447

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.

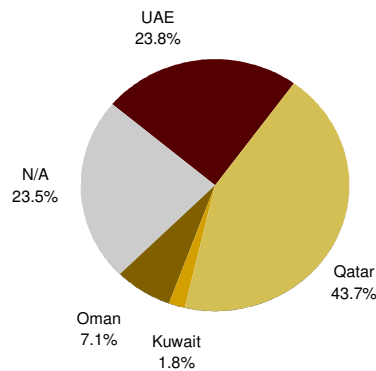
Performance History



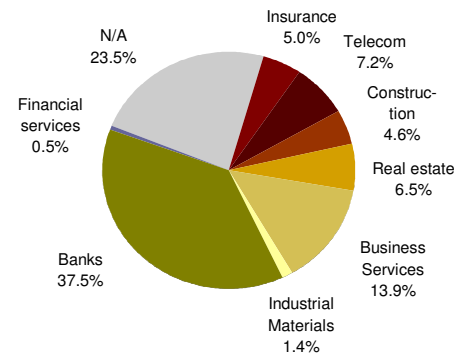
Historical Returns

	1 month	3 months	6 months	12 months	YTD	Since Inception	Since Incep. p.a.
Fund	-2.30%	6.06%	22.36%	2.98%	19.43%	-33.35%	-21.73%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Qatar National Bank (QA)	7.78%
Qatar Fuel Company (QA)	7.76%
Commercial Bank of Qatar (QA)	7.38%
National Bank of Abu Dhabi (AE)	5.10%
Qatar Insurance Company (QA)	4.97%
First Gulf Bank (AE)	4.07%
Doha Bank (QA)	3.81%
Sorouh Real Estate Co. (AE)	3.57%
Qatar Telecom (QA)	2.92%
Bank Muscat SAOG (OM)	2.51%
Value of TOP 10 Investments	50%
Total Number of Investments	28

Fund Manager's Comment

Selling pressure on global markets at the end of the month had negative effect on Persian markets. The biggest losers were Kuwait (-6.01%) and Qatar (-3.77%). Despite strong oil price, YTD performance of GCC markets is still lower compared to global stock markets.

Q3 results have matched or exceeded expectations showing top line as well as bottom line growth. Business conditions have improved. Qatar National Bank, our biggest investment with the best asset quality in the region, benefits mostly from government upcoming investments that are supporting loan growth next year. Qatar Fuel, our second biggest investment, is trading only at 5-6x 2009 expected earnings. Qatar stock market is fairly priced and we are expecting positive reaction after selling pressure.

According to its new projections, IMF is expecting Gulf economies to grow 5.2% in 2010.



Oliver Ait

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
 Fund Manager: Oliver Ait
 Depository: Swedbank

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