

LHV Persian Gulf Fund

31-Aug-11

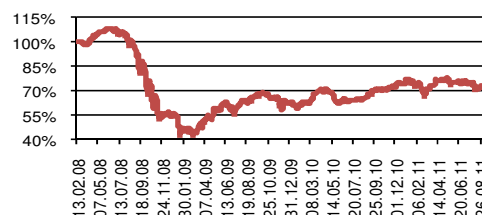
Monthly Return -1,56%
 NAV of A unit 7,3743 EUR
 NAV of B unit 4,7130 EUR
 Fund Size EUR 4 325 776

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.

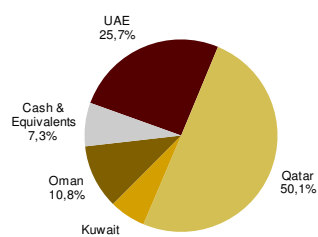
Performance History



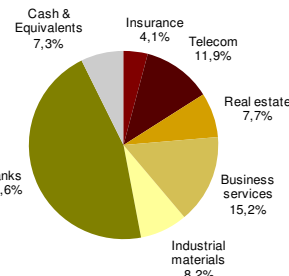
Historical Returns*

	1 month	1 year	2009-2010 average	YTD	Since Inception	Since Incep. p.a.
Fund	-1,56%	11,75%	15,93%	-1,54%	-26,26%	-8,36%

Country Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Qatar Fuel Company share	9,13%
Commercial Bank of Qatar share	7,65%
Qatar National Bank share	7,17%
Industries Qatar QSC share	5,43%
First Gulf Bank share	5,11%
National Bank of Abu Dhabi share	4,81%
Oman Telecom share	4,50%
Qatar Insurance Company share	4,14%
Qatar Islamic Bank share	3,90%
Bank Muscat SAOG share	3,80%
Value of TOP 10 Investments	56%
Total Number of Investments	25

Fund Manager's Comment

In August global stock markets suffered a big downward move as worries about global cooling took the center stage after worse than expected macro data-points. In euro terms for example year-to-date stock market performance for USA and Japan is -10%, Germany, Sweden, Brazil -20%, Denmark, Italy, Finland -25%, Egypt -40% and Cyprus -60%. The Middle-Eastern stock markets where LHV Persian Gulf Fund invests, however, have remained fairly strong. The reasons for that are strong economic growth levels in the GCC countries, better than expected financial results for Q2 '11, slower trading activity in August because of the holy month of Ramadan and a substantially smaller number of uprisings and mass demonstrations across the Middle-East region.

Despite the very poor global stock markets since the beginning of the year LHV Persian Gulf Fund has only fallen by 1.5% and as the global stock markets stabilize we expect to see a positive reaction from the GCC stock markets as well.

The best performing stocks in the fund in August were two of our big investments Oman Telecom (+11%) and Commercial Bank of Qatar (+9%) – both of them reported of better than expected Q2'11 financial results.

Joel Kukemelk & Mikael Kvibäck

Fund Details

Type: UCITS
 ISIN of A-unit: EE3600095287 (EUR)
 Registrar of A-units: AS LHV Pank
 ISIN of B-unit: EE3600095295 (EUR)
 Registrar of B-units: EVK
 Depository: AS Swedbank
 Fund Managers: Mikael Kvibäck, Joel Kukemelk

Issue Fee: 2.0%
 Management Fee: 1.75%
 Redemption Fee: 1.0%
 Success fee: 15% over 10% hurdle
 Established: 1/10/2008
 Launched: 2/13/2008

Contacts

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*The fund's historical performance does not promise or offer any indications regarding future performance. Please refer to the prospectus and the simplified prospectus and ask for additional information lhv.ee/persian.