

## LHV Persian Gulf Fund

31-Dec-10

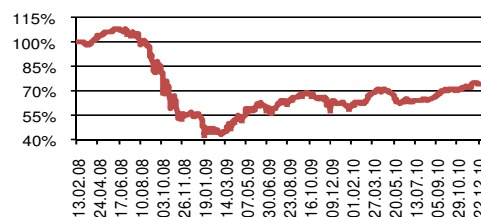
**Monthly Return** 3,34%  
**NAV of A unit** EUR 7,4893  
**NAV of B unit** EEK 74,8927  
**Fund Size** EUR 4 974 732

### 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.

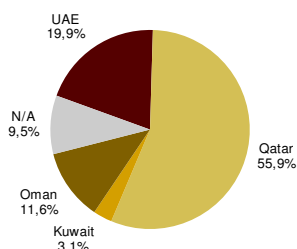
### Performance History



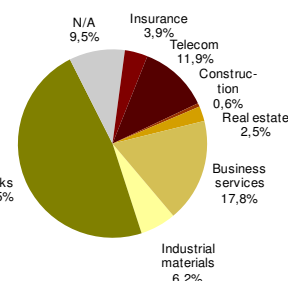
### Historical Returns

	1 month	3 months	6 months	12 months	YTD	Since Inception	Since Incep. p.a.
Fund	3,34%	5,94%	18,14%	20,21%	20,21%	-25,11%	-9,73%

### Country Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
Qatar Fuel Company (QA)	9,61%
Qatar National Bank (QA)	9,44%
Commercial Bank of Qatar (QA)	9,42%
First Gulf Bank (AE)	6,60%
Industries Qatar QSC (QA)	4,65%
Oman Telecom (OM)	4,60%
Bank Muscat SAOG (OM)	4,59%
Doha Bank (QA)	4,44%
Qatar Gas Transport Com Ltd (QA)	4,36%
National Bank of Abu Dhabi (AE)	4,30%
Value of TOP 10 Investments	62%
Total Number of Investments	21

### Fund Manager's Comment

Certainly the biggest news from the GCC region in December was the announcement of Qatar winning the bid for World Cup in football 2022. In GDP terms, Qatar currently has the smallest GDP of any host nation of the FIFA World Cup. Although the country's GDP is expected to rise significantly over the coming decade and to reach a bigger size than Spain's GDP in 1982 or Mexico's in 1986, Qatar's economic composition is narrow, with oil and gas accounting for ca 50% of GDP. Initial estimates quoted in both international and local press (Financial Times, The National) put the total spending for the World Cup at around USD30bn. This equals ca 25% of estimated 2010 GDP; far ahead of what other countries have spent / are expected to spend as a % of their GDP. This is the key fact that underscores our positive stance on the impact of the World Cup on Qatari banks. Our biggest gainer in December was Doha Bank (QA) which gained 16%.

In the end of December Eurasia Group came out with a very positive statement about the region saying that „opportunities are emerging in the Middle East as it enters 2011. Predictions of coming market booms in the Middle East have a long history of proving overly optimistic but there are reasons to believe that this year will be different. Clear positive signs are emerging in several countries and in multiple sectors. Notes at the macro level, the region will benefit from upward pressures on energy prices and from the broader phenomenon of large-scale capital inflows into emerging markets“.

Mikael Kvibäck

### 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: Mikael Kvibäck

Management Fee: 1.75%  
 Established: 1/10/2008  
 Launched: 2/13/2008

### Contacts

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