

# LHV World Equities Fund

30 April 2019

Monthly Return 4,64%  
NAV of share 10,6146 EUR  
Fund Size 3 207 329 EUR

## Fund Manager's Comment

Mikk Taras



So far in 2019, LHV World Equities Fund has shown great performance. In April, the fund unit value gained 4.6% and year-to-date we are up by 14.4%

Several factors have supported the general market, out of which probably the most important has been the change in US monetary policy where FED has stopped interest rate hikes. Besides the US, several other central banks have confirmed that they will keep interest rates low as the economy is slowing.

Usually, during the ending of the interest rate hike cycle it is wise to be more conservative when investing. That shows economy might not develop as positively as it has been so far.

In the economy, we have reached to the late growth phase where the high tide that lifts all the boats is fading away. When looking for investments we try to avoid overcrowded trades and to focus rather on reasonably priced opportunities.

Our strategy is to focus on financially strong enterprises that have solid cash flow or long history of growth that would not be altered if the first signs of weakness should arise in the economy.

Firstly, we have purchased stocks of several smaller and more dynamic European manufacturers, such as German electronics industry and Finnish foresting sector that show superb growth in global markets.

Secondly, we see growth opportunities in Asia and we have invested there using single stocks as well as index funds.

Thirdly, we still have a positive attitude towards the larger firms in the Baltic stock market. The „hot“ foreign capital has not yet been flowing to Tallinn stock exchange, and therefore, the price levels are still reasonable. Currently the fund is holding two investments – Port of Tallinn and Tallink.

In total we have 24 different investments which on average generate around 10% free cash flow yield (based on trailing 12 months) and the average dividend yield is at 3.5%.

### Investment Objective

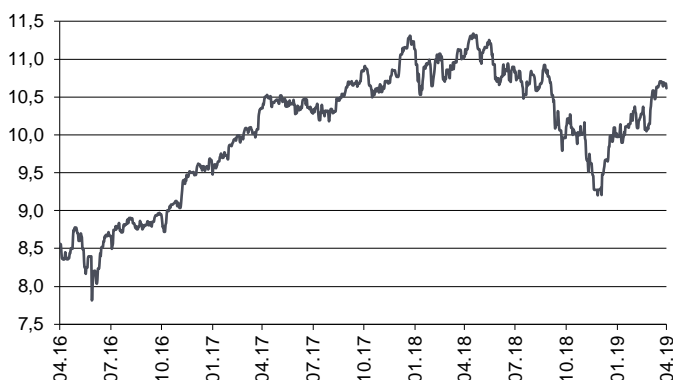
The Fund's investments are diversified geographically among different world financial markets. The Fund invests in developed markets (e.g. contracting state of the European Economic Area, the United States of America and Japan), as well as in emerging markets (e.g. Asia, Latin America and Eastern Europe).

The Fund is for investors, who want to invest globally. As the Fund is already globally diversified you can choose it as your only stock-based investment. The Fund is for long term investors.

### Historical Returns\*

	1 month	12 months	36 months	2017-2018 average	2016-2018 average	2014-2018 average	YTD
Fund	4,64%	-3,81%	23,99%	-1,03%	0,21%	1,26%	14,40%

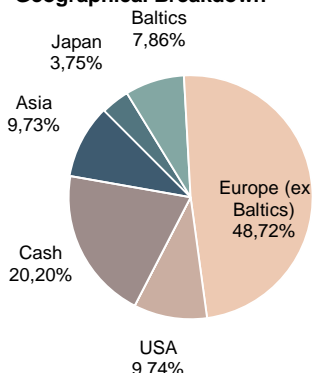
### Share price movement (last 36 months)



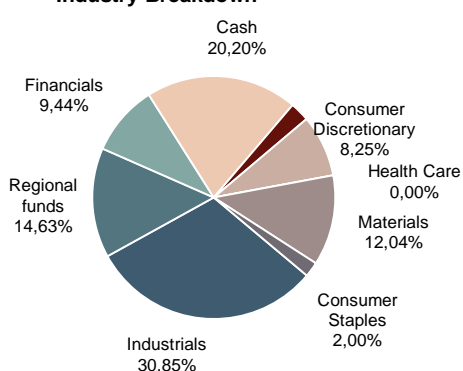
### Fund Details

Type:	UCITS IV
ISIN:	EE3600092417 (EUR)
Depository:	AS SEB Pank
Registrar:	AS LHV Pank
Fund Manager:	Mikk Taras
Issue Fee:	0%
Management Fee:	2%
Redemption Fee:	0%
Redemption Fee (LHV):	1%

### Geographical Breakdown



### Industry Breakdown



### Top 10 Investments

Name	% of Assets
iShares MSCI China ETF	6,4%
Banco Santander	5,9%
KION Group	4,8%
Tallinna Sadam	4,6%
WisdomTree Japan Hedged Equity	3,8%
Talgo	3,7%
TE Connectivity	3,5%
Intesa Sanpaolo	3,5%
Stora Enso	3,4%
Halliburton Co	3,4%
Value of TOP 10 Investments	43,1%
Total Number of Investments	24

\*The fund's historical performance does not promise or offer any indications regarding future performance.

Information presented herein should not be interpreted as investment advice, investment recommendation or any other investment or ancillary service.

Please refer to the prospectus and the key investor information and ask for additional information [lhv.ee/world](http://lhv.ee/world).

Historical annual average performance figures are geometrical averages based on last calendar years.