

LHV World Equities Fund

31 July 2019

Monthly Return

-0.85%

NAV of share

10.1323 EUR

Fund Size

3 146 312 EUR

Fund Manager's Comment

Mikk Taras



In July we continue to position the fund towards more conservative investments. Our focus in current uncertain environment is on investing into specific value stocks, ideas with high dividend yield and different correlation assets, which offer reasonable compensation for risks taken.

At the moment our biggest positions are related to Scandinavian and Baltic equities, other European and Asian markets and gold related names.

We are interested in Finnish market since it has one of the highest dividend yield across Europe. Our largest position from there is Stora Enso that has a market capitalization below the fair value of its forest reserves.

Opportunities are also in Swedish market, where we bought the confectionery manufacturing company Cloetta shares that has less cyclical business model.

Most extreme valuation can be found among European banks. European banks combined market capitalization is lower than one single bank in US – JPMorgan. Our biggest position among the European banks is Banco Santander that trades 40% below its book value.

Barrick Gold has grown to become our biggest position after the recent gains. We believe 5-10% position offers good protection from negative interest rates, political uncertainty and possible debt problems.

From other subjects we have looked more closely into European defense expenses that support the growth of French industrial company Thales.

In July we took profit from TE Connectivity position and sold Kion equities.

In conclusion we keep our equity investments diversified across different sectors and regions. Current equity positions yield about 4% and we keep some cash buffer to use the funds available for opportunities should they arise.

Share price movement (last 36 months)



Fund Details

Type: UCITS IV
ISIN: EE3600092417 (EUR)
Depositary: AS SEB Pank
Registrar: AS LHV Pank
Fund Manager: Mikk Taras

Issue Fee: 0%
Management Fee: 2%
Redemption Fee: 0%
Redemption Fee (LHV): 1%

Investment Objective

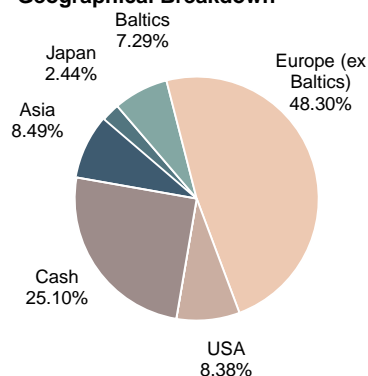
The Fund's investments are diversified geographically among different world financial markets. The Fund invests in developed markets (e.g. contracting state of the European Economic Area, the United States of America and Japan), as well as in emerging markets (e.g. Asia, Latin America and Eastern Europe).

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.

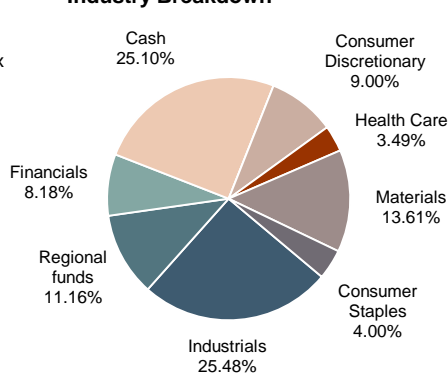
Historical Returns*

	1 month	12 months	36 months	2017-2018 average	2016-2018 average	2014-2018 average	YTD
Fund	-0.85%	-6.55%	16.90%	-1.03%	0.21%	1.26%	9.20%

Geographical Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Barrick Gold Corp	5.6%
Banco Santander	5.2%
Tallinna Sadam	4.4%
iShares MSCI China ETF	4.4%
Thales	4.2%
Alibaba Group Holding	4.1%
Talga	3.6%
Siemens Healthineers	3.5%
Stora Enso	3.3%
Rockwool International	3.2%
Value of TOP 10 Investments	41.4%
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.

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