

# LHV World Equities Fund

30 June 2020

Monthly Return

4,05%

NAV of share

10,8975 EUR

Fund Size

3 316 342 EUR

## Fund Manager's Comment

Mikk Taras



In June, economies continued to open up and stock markets to recover from corona crisis. LHV World Equities Fund gained 4% over the month. Greatest contributors to this performance were equity investments from Scandinavia as well as global gold miners stocks. As the restrictions put in place due to coronavirus have been relieved over the last few months, the economic activities have also rebounded. In China, the vehicle sales are back at pre-crisis levels, US retail sales showed sharp recovery and due to open borders, EU industrial output is back on the growth trajectory

Currently, the economic activity is about 5% below pre-crisis levels in China and the US, while the same metric is 10% for Europe. We expect economic activity to remain high but new virus outbreaks may cause differences across countries. The coronavirus is most contained in Europe with only a few local outbreaks, for example food factories in Germany, mines in Poland and Czech Republic, nightclubs in Croatia etc. In those cases, there is no need to close the economy. While, in the US, new infections number is making new records. States, which have been quick to open up, have suffered the most. Also, new infections are going up in Emerging Markets, such as India and Brazil. The second wave in China has been limited with only a few outbreaks. Fund investments are currently focused on Europe (especially Scandinavian listed equities). In Europe, the coronavirus is better contained and price levels generally lower compared to the US. We see that the Europe, with the lead of Germany and France, has very ambitious plans for green and infrastructure investments, to boost the economic activity. We prefer to invest in countries with higher savings rates and lower debt levels which gives more ability to boost the economy in current crisis. Our largest positions equity positions are in Scandinavian industrial companies stocks where the demand has clearly improved in May and June (UPM, Stora Enso, Kone and Carlsberg). Also, we see a great upside potential in Scandinavian financial sector where stocks fell a lot due to the crisis (Swedbank and Sampo). In addition, we have added several positions related to general consumption and economy (Sweco, TCM Group, Coor). In order to hedge risks, fund has invested in gold miners stocks (Barrick Gold, Agnico Eagle Mines, AngloGold). Due to exceptional policies, gold has risen over 17% this year which makes it one of the best performing financial instruments.

## 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	4,05%	6,64%	5,92%	1,45%	5,37%	5,97%	-1,66%

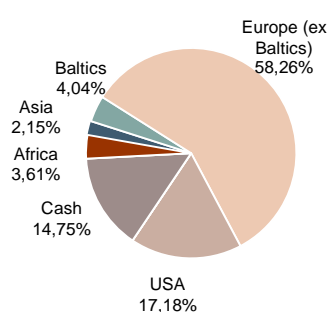
## Share price movement (last 36 months)



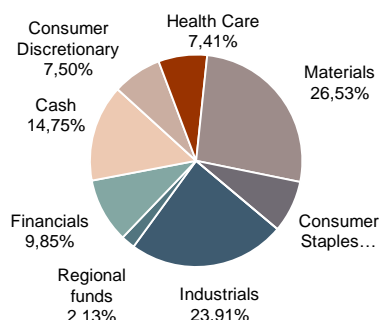
## Fund Details

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%

## Geographical Breakdown



## Industry Breakdown



## Top 10 Investments

Name	% of Assets
Agnico Eagle Mines	6,4%
Barrick Gold Corp	6,1%
Siemens Healthineers	5,7%
TCM Group	5,3%
Freeport-McMoRan	4,7%
Swedbank	4,6%
Tallinna Sadam	4,0%
Sweco AB	4,0%
AngloGold Ashanti	3,6%
Coor Service Management Holdin	3,6%
Value of TOP 10 Investments	48,1%
Total Number of Investments	25

\*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.