

LHV World Equities Fund

31 July 2020

Monthly Return **3,80%**
NAV of share **11,3111 EUR**
Fund Size **3 561 969 EUR**

Fund Manager's Comment

Mikk Taras



In July, fund investments continued to rebound from the covid19 crises and unit valued increased by 3.8%. Larger contributors to fund unit value growth were Sweco, Swedbank, Neles and Metso Outotec. Best performer among the gold miners position was Agnico Eagle Mines.

Extraordinary times in the economy and politics supported the price of gold in July, which rose by more than 10%. Gold is an asset class that has undergone one of the largest increases – on the markets and in our fund – where global gold mining companies are our largest equity position.

We expect the long-term trends that have boosted gold, the most important of which we consider to be negative real interest rates, to remain in place for years. Based on these trends, we continue to see persistent excellent long-term value in gold mining companies. To mitigate risks in the current market environment, we wish to keep 15–20% of equity risk in well-managed individual gold mining company shares.

Next to gold, the dollar made the largest movement in July, becoming 5% cheaper relative to the euro in one month, and decreasing against all other major currencies. In our assessment, the strength of the euro relative to the dollar is supported by the financial status of European superpowers, the political situation and the more successful fight against the coronavirus crisis. This is why we keep a minimum dollar risk in the fund.

Our larger individual company equity positions are in Scandinavian listed companies, where economic activity has recovered to normal levels in many industries. Forest industry companies Stora Enso and UPM Kymmene Q2 results showed that demand for packaging materials remains strong in the current economic environment. Swedbank revenue base remained stable. Swedish construction projecting company Sweco has received many public investment project to its pipeline. Norway's discounter Europris posted strong organic growth numbers.

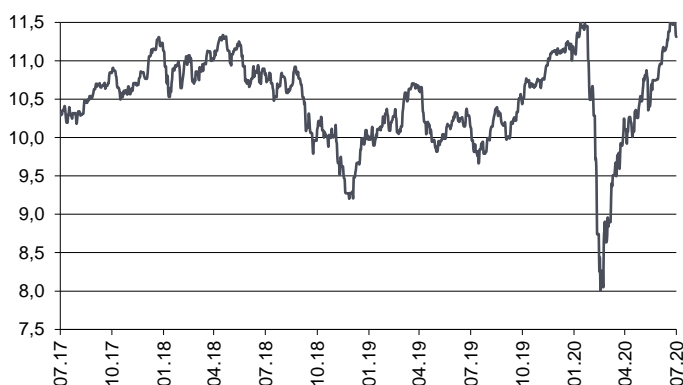
In July, we bought to the fund Swedish medtech company Getinge and Elekta shares. Both companies derive a large recurring revenue from their service business that offers stability to the income base

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.

Share price movement (last 36 months)



Fund Details

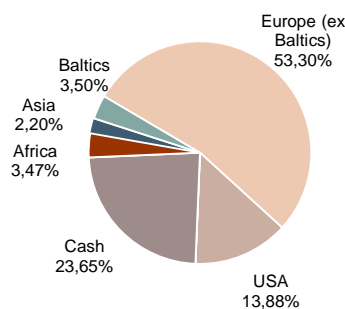
Type: UCITS IV
ISIN: EE3600092417 (EUR)
Depositary: AS SEB Pank
Registrar: AS LHV Pank
Fund Manager: Mikk Taras

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

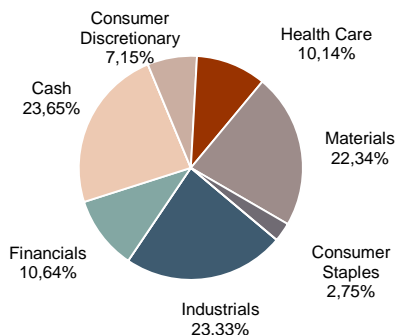
Historical Returns*

	1 month	12 months	36 months	2017-2018 average	2016-2018 average	2014-2018 average	YTD
Fund	3,80%	11,63%	10,02%	1,45%	5,37%	5,97%	2,08%

Geographical Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Agnico Eagle Mines	7,0%
Barrick Gold Corp	5,8%
Siemens Healthineers	5,5%
Swedbank	5,2%
TCM Group	4,9%
Sweco AB	4,6%
Coor Service Management Holdin	3,8%
Tallinna Sadam	3,5%
AngloGold Ashanti	3,5%
Sampo	3,3%
Value of TOP 10 Investments	47,1%
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 lvh.ee/world.

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