

# LHV World Equities Fund

31 January 2021

Monthly Return 1,27%  
NAV of share 12,1653 EUR  
Fund Size 4 232 381 EUR

## Fund Manager's Comment

Mikk Taras



Equity markets had a positive start to January, but sentiment turned negative on the US and European stock markets at the end of the month, when speculative buying interest in individual equities led investors to ask whether the market expectations have moved ahead of reality. LHV World Equities Fund unit value ended the month with 1.3% gain that came from Nordic and single commodity sector related equity positions.

Largest gainers were Valmet, Ponsse, Swedbank, Getinge, Elekta and Siemens Healthineers shares. Decliners were Coor, Sweco and Carlsberg. Looking ahead, we expect the reasonably priced industries like commodity and material sector, plus value companies from other industries to deliver significantly better gains for investors compared to popular growth shares, which are very expensive. In many cases, popular shares have not been moved for some time by fundamental factors such as corporate profits, but by speculative buying that pays no attention to valuation levels. Globally the vaccination against the corona virus has been slower than expected, but the initial results are still positive and suggest that we will surpass the worst part of corona virus soon. If the world economic growth recovers with increased vaccination, the most important change in the investment landscape for us is the change in inflation. As the consumption grows more widespread, we expect the inflation rate to go higher. In a higher inflation environment, interesting investment opportunities lie in the commodity and material sector, from where we added many positions to the fund. We have diversified commodity sector investments between different topics, of which our core positions include copper / silver as the biggest winners in the electrification trend, forest as a renewable raw material, Nordic mining automation technology companies and gold related positions. In addition to commodity sector, we continue to hold Nordic equities of companies that have strong market position, pricing power and high management quality. In January, we added one of the world leading silver miner Pan American Silver shares to the fund. Silver gains both from electrification trend in the industry and offers precious metals protective qualities against the potential inflation rise. Pan American Silver shares trade 13x 2021 expected earnings per share.

## 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

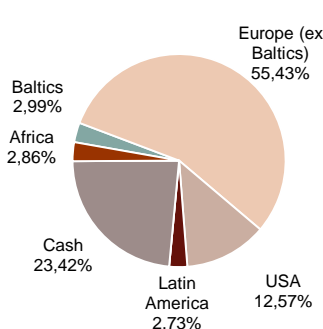
The Fund's investments are diversified geographically among different world financial markets. The Fund invests in developed markets (e.g. contracting state of the European Economic Area, the United States of America and Japan), as well as in emerging markets (e.g. Asia, Latin America and Eastern Europe).

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.

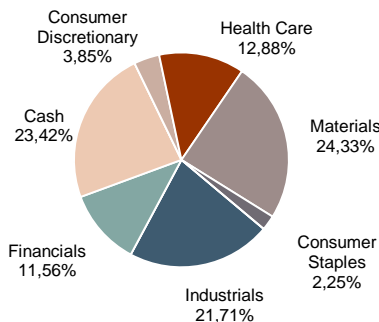
## Historical Returns\*

	1 month	12 months	36 months	2019-2020 average	2018-2020 average	2016-2020 average	YTD
Fund	1,27%	9,46%	9,31%	13,78%	3,72%	5,44%	1,27%

## Geographical Breakdown



## Industry Breakdown



## Top 10 Investments

Name	% of Assets
Swedbank	5,9%
Siemens Healthineers	4,9%
TCM Group	3,9%
Getinge	3,6%
Agnico Eagle Mines	3,6%
UPM-Kymmene	3,3%
Pan American Silver	3,2%
Barrick Gold Corp	3,2%
Sampo	3,2%
Tallinna Sadam	3,0%
Value of TOP 10 Investments	37,8%
Total Number of Investments	27

\*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.