

LHV World Equities Fund

31 July 2021

Monthly Return

2.20%

NAV of share

13.7621 EUR

Fund Size

6 430 348 EUR

Fund Manager's Comment

Mikk Taras



In July, fund unit value increased by 2.2%. Fund's investments were supported by positive quarterly corporate results and economic indicators that were recovering rapidly from the pandemic. At the same time, there was increased uncertainty due to a new wave of the coronavirus, which led to short-term declines in the equity markets in the middle of the month. For now, the new wave of the coronavirus has not changed our investment outlook.

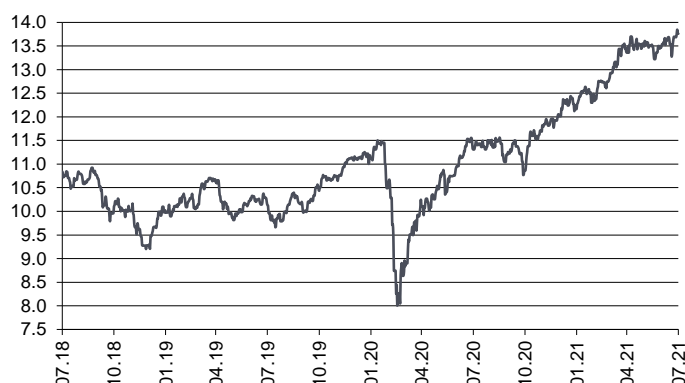
At the moment, the new wave of the virus is spreading primarily among unvaccinated people, and as long as more serious cases among vaccinated people remain minimal, we expect the world economy to continue to grow. It is positive that companies' profits have not only recovered but, in most cases, have risen above pre-pandemic levels. This is to be expected, as our fund positions are currently focused on stocks that are more dependent on the business cycle. At the moment, there is a trend for growth, during which high-quality companies are expected to do well. Among our major investments, the Finnish wood industry company UPM-Kymmene saw a strong growth in prices for all major products in the second quarter. Another Finnish wood industry company, Stora Enso, also saw an increase in demand in all lines of business. Among banks, Swedbank reported that interest income remained stable in the second quarter, while income from fees and commissions increased, loan losses decreased and net profit increased. Results were also very strong among medtech companies that have made one of the largest gains this year. In July, Swedish medtech company Getinge contributed the most to fund unit value growth. Of the global positions in the commodities sector, copper mining company Freeport McMoRan reported an increase in mining volumes of copper and gold, which doubled turnover and increased operating profit fivefold (albeit based on a low benchmark). Of the new investments, we bought shares of Swedish mining technology company Sandvik and shares of Valaris from the energy sector, which will benefit from the rise in oil prices. We also bought shares of video game manufacturers Take-Two Interactive and Electronic Arts from the US stock exchange. These companies are owning world-famous game series such as GTA and FIFA, which offer a stable cash flow. In light of the increased regulatory risks, we sold the shares of the Chinese e-commerce giant Alibaba.

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)



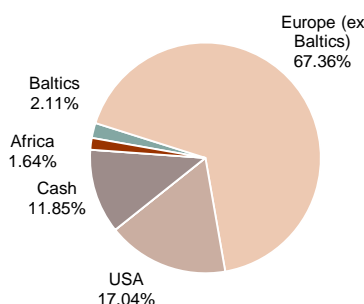
Fund Details

Type:	UCITS IV
ISIN:	EE3600092417 (EUR)
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%

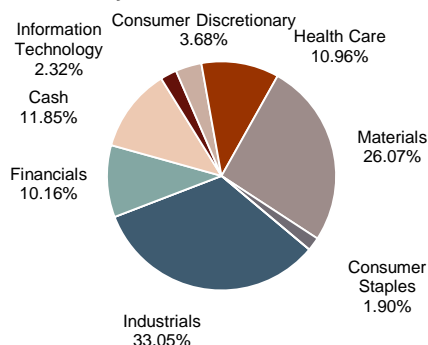
Historical Returns*

	1 month	12 months	36 months	2019-2020 average	2018-2020 average	2016-2020 average	YTD
Fund	2.20%	21.67%	26.93%	13.78%	3.72%	5.44%	14.56%

Geographical Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Swedbank	5.3%
UPM-Kymmene	5.1%
Getinge	4.1%
Siemens Healthineers	3.9%
Barrick Gold Corp	3.7%
TCM Group	3.7%
Stora Enso	3.7%
Agnico Eagle Mines	3.5%
Aena SME	3.5%
Freeport-McMoRan	3.3%
Value of TOP 10 Investments	39.8%
Total Number of Investments	32

*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.