

LHV World Equities Fund

31 December 2022

Monthly Return

-2.33%

NAV of share

12.2582 EUR

Fund Size

7 020 589 EUR

Fund Manager's Comment

Mikk Taras



In December, European and US central banks continued to raise interest rates and equity markets remained under selling pressure. Fund's unit value fell by 2.3% in December. We reduced equity positions in the fund in order to create liquidity for adding new positions.

The past year was negative for equity markets. Most major equity indices fell by 10-20%. More expensive growth stocks fell several times more.

Fund's unit value fell by 13.6% over the year. The negative contribution came largely from Nordic equities. The biggest decliners were GN Store Nord and TCM Group. Largest gainers were Valaris and Rockwool.

Profits of companies in the fund resisted to changes in the market environment well in 2022. The economic environment itself did not show much weakness yet, but higher interest rates clouded the outlook for 2023.

We expect that the environment in the equity markets will remain difficult in 2023. In Europe and the US, central banks continue to raise interest rates as inflation remains above the desired 2% everywhere. High inflation leaves a mark on consumption and spending that is not essential will be cut.

On the positive side, China has made a change of direction in its strict corona policy. The easing of movement restrictions will restore economic activity in China and this will be positive for companies related to natural resources, where the fund has invested.

In difficult times, crisis-proof companies are those whose products and services are not easy for consumers to cut. We have tried to find such companies for the fund, whose need for consumption is underestimated by investors in difficult times. We also consider that these assets are reasonably priced.

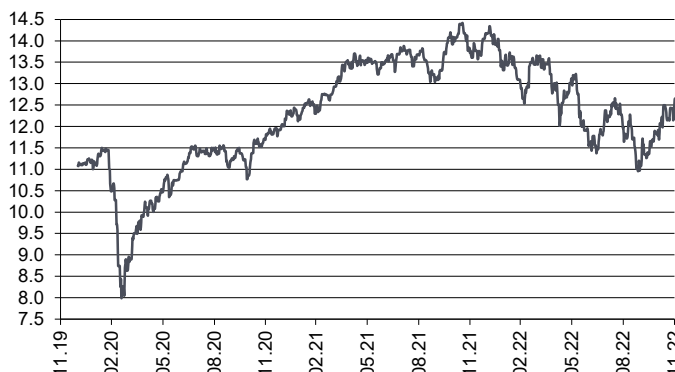
The fund's largest investments are in stocks of mineral resources and materials industry companies. The fund's five largest individual investments are Freeport McMoran, Barrick Gold, UPM, Rockwool and Metso Outotec.

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)



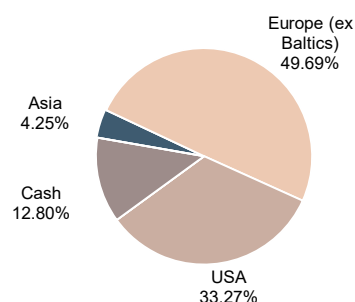
Fund Details

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%

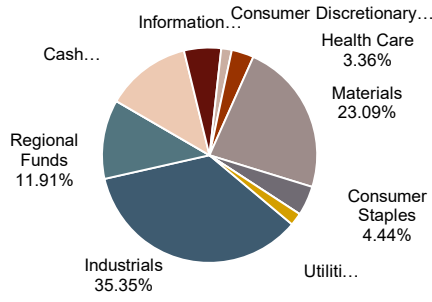
Historical Returns*

	1 month	12 months	36 months	2020-2021 average	2019-2021 average	2017-2021 average	YTD
Fund	-2.33%	-13.57%	10.62%	13.13%	15.19%	8.41%	-13.57%

Geographical Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Freeport-McMoRan	5.9%
Global X Copper Miners ETF	5.6%
Barrick Gold Corp	4.3%
iShares MSCI China ETF	4.3%
UPM-Kymmene	4.0%
Rockwool	3.6%
Metso Outotec	3.6%
Sandvik	3.4%
Agnico Eagle Mines	3.3%
Valaris	3.1%
Value of TOP 10 Investments	41.1%
Total Number of Investments	29

*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.