

LHV World Equities Fund

30 April 2023

Monthly Return

-0.71%

NAV of share

12.6579 EUR

Fund Size

7 501 250 EUR

Fund Manager's Comment

Mikk Taras



In April, equity markets moved sideways. The share of the fund fell by 0.7% in the month. The negative contribution is largely from investments related to mineral resources.

Among the fund's larger equity holdings, we saw declines in commodity related names and industrials due to general fears of a recession. Copper miner Freeport McMoran's share price fell 8%. Oil service company Valaris fell 9%.

Shares of copper mining companies offer a free cash flow yield of nearly 20%. The sector is cheap and well positioned in the long term to benefit from the growing electrification trend. The energy sector has underinvested in increasing supply volumes for years, and this should be reflected in rising energy prices again in a more active economic environment. Energy sector shares offer 10%+ free cash flow yields.

At these prices, the fund is ready to increase the equity positions of companies in various value chains related to mineral resources. Currently, share positions related to energy and industrial metals make up a total of 27% of the fund's portfolio.

In April, shares of gold mining companies made a positive contribution to the value of the unit, supported by the price of gold, which in dollar terms rose to the peaks of recent years. We expect the price of gold to move up in the long term if savers are unable to earn returns that exceed inflation through savings or more conservative investing. Stock investments related to gold and silver make up 11% of the fund's portfolio.

In the economy, we see a decelerating but still uncomfortably high inflation environment, forcing central banks to raise base rates. Over the past year, stock markets have been searching for a new equilibrium point in an environment with higher interest rates, and we believe that stock markets will continue to move without a major upward trend. In the changed market environment, we expect good returns from investments related to natural resources and high-quality individual Nordic stocks with strong pricing power.

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%

Investment Objective

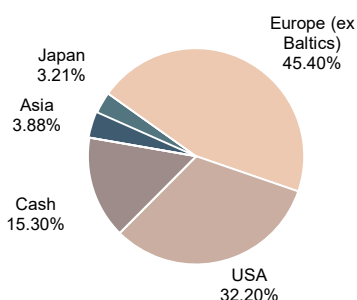
The Fund's investments are diversified geographically among different world financial markets. The Fund invests in developed markets (e.g. contracting state of the European Economic Area, the United States of America and Japan), as well as in emerging markets (e.g. Asia, Latin America and Eastern Europe).

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.

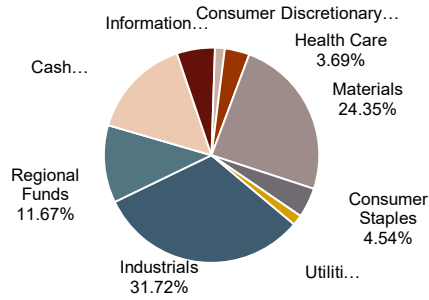
Historical Returns*

	1 month	12 months	36 months	2021-2022 average	2020-2022 average	2018-2022 average	YTD
Fund	-0.71%	-2.70%	25.30%	1.01%	3.42%	2.63%	3.26%

Geographical Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
Global X Copper Miners ETF	5.7%
Freeport-McMoRan	5.3%
Barrick Gold Corp	4.3%
iShares MSCI China ETF	3.9%
Metso Outotec	3.5%
Valmet	3.4%
Take-Two Interactive Software	3.3%
Agnico Eagle Mines	3.3%
DSV PANALPINA	3.3%
Glencore	3.2%
Value of TOP 10 Investments	39.2%
Total Number of Investments	30

*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.