

LHV World Equities Fund

31 December 2021

Monthly Return **3.33%**
 NAV of share **14.1828 EUR**
 Fund Size **7 408 541 EUR**

Fund Manager's Comment

Mikk Taras



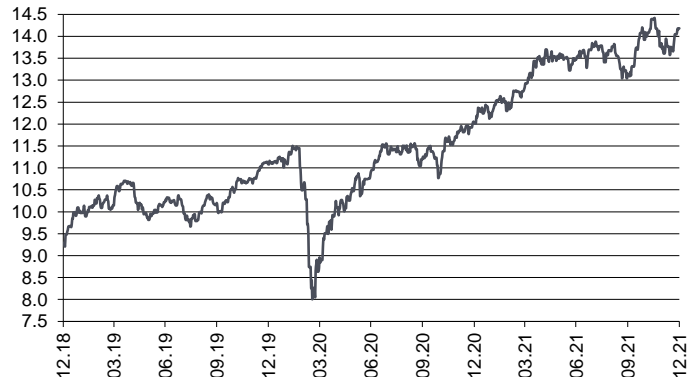
In the last month of the year, all major equity positions in the fund continued to rise, the Fund's unit value increased by 3.3% during the month and ended the year with a return of 18.1%. Over the year, our Nordic equity positions contributed the most to the unit value increase. The biggest gainer in the fund was the share of the Swedish medical technology company Getinge, which rose 102%. Among the Nordic equities, the most important gainers in the fund were the shares of Swedbank, Epiroc, Valmet, Ponsse, TCM Group, Wärtsilä and Sampo.

We continue to hold equity positions in the well-managed Nordic listed companies. By sectors, we have diversified investments between different topics, of which the most important are the Swedish mining and medical technology companies, the Finnish forest industry companies and the Nordic energy groups. The fund's three largest investments in the Nordic countries are UPM-Kymmene, Epiroc and Sandvik. We are focusing on opportunities in the commodities sector in the larger stock markets. The fund's largest investments in US equity markets are copper miner Freeport McMoran and gold miner Barrick Gold.

In the macroeconomy, we expect a strong consumption environment to continue. Global growth should be supported by the return of services, which remains below pre-pandemic levels in many sectors. As companies have underinvested in commodity markets and material production in the old economy for years, demand should continue to outstrip supply of goods. This means that inflation will continue to be uncomfortably high and major central banks will do first increases in key interest rates in this economic cycle.

Uncomfortably high inflation and a change in the direction of monetary policy are probably the main risk areas that could shake the financial markets in the current year. The fund will certainly not be left untouched by short-term fluctuations, but in order to hedge the risks, we have invested primarily into strong Nordic industrial companies and the commodity sector. If the risks materialize, we expect companies with existing profits and real assets to withstand market fluctuations better than companies that are loss-making and expected to show high profits in the future.

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%

Investment Objective

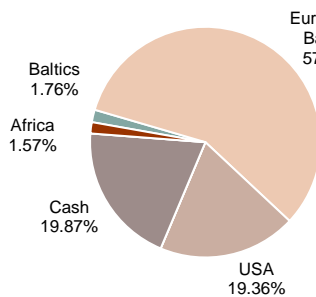
The Fund's investments are diversified geographically among different world financial markets. The Fund invests in developed markets (e.g. contracting state of the European Economic Area, the United States of America and Japan), as well as in emerging markets (e.g. Asia, Latin America and Eastern Europe).

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.

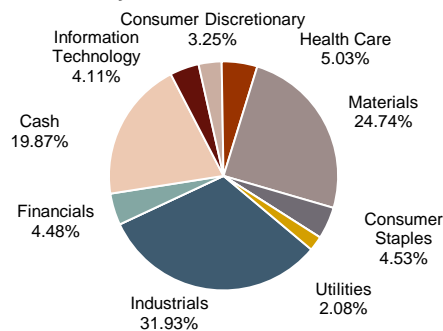
Historical Returns*

	1 month	12 months	36 months	2019-2020 average	2018-2020 average	2016-2020 average	YTD
Fund	3.33%	18.06%	52.85%	13.78%	3.72%	5.44%	18.06%

Geographical Breakdown



Industry Breakdown



Top 10 Investments

Name	% of Assets
UPM-Kymmene	4.3%
Freeport-McMoRan	4.1%
Barrick Gold Corp	3.6%
Epiroc	3.6%
Sandvik	3.5%
Pan American Silver	3.4%
Metso Outotec	3.3%
TCM Group	3.2%
Nordic Waterproofing Holding	3.1%
Aena SME	3.1%
Value of TOP 10 Investments	35.4%
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.