

Open-ended investment fund Lats Money Market Fund

Investment Principles

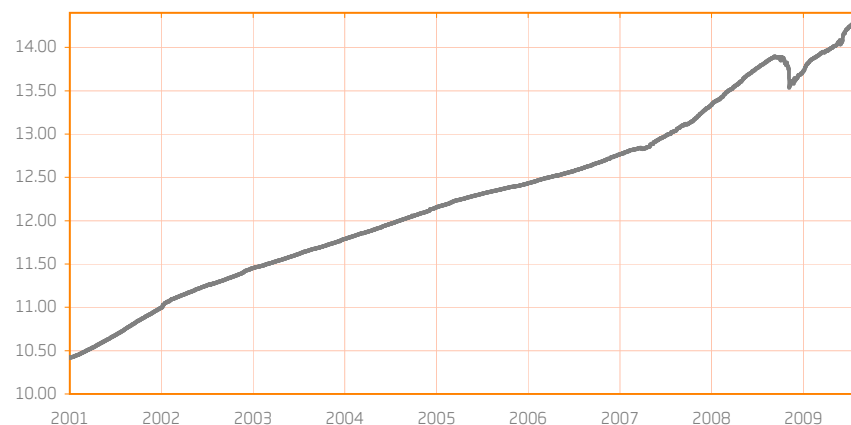
Fund invests in fixed income securities issued in the Baltic States and OECD member countries. The objective of the open-ended investment fund Lats Money Market Fund is to achieve continuous growth of value of the capital over a short period of time in compliance with the investment policy and restrictions set by the Fund Prospectus. Investment into the Fund might be considered as an alternative to short-term deposits with banks.

General information

Fund Management Company "Swedbank Ieguldījumu Pārvaldes Sabiedrība" AS
 Fund Manager Pēteris Stepiņš
 Inception 1999
 Transactions with the Fund's investment certificates: Branch offices of "Swedbank" AS; 67444141
 ib.swedbank.lv
 business.swedbank.lv

Net Asset Value (NAV) LVL 14.3163
 Net Assets LVL 1 258 694
 Management Fee per annum 0.60%
 Weighted average modified duration, days 0.03

NAV



	YTD	1 m	3 m	6 m	1 year	3 years	Inception*
Performance	4.51%	0.82%	2.32%	3.54%	3.71%	13.69%	43.16%
Annualized**	7.90%	10.04%	9.52%	7.27%	3.71%	4.36%	3.77%

	2002	2003	2004	2005	2006	2007	2008
Performance	4.17%	2.94%	3.06%	2.30%	2.68%	4.34%	2.89%

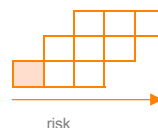
* - since launch

** - annualized performance, calculated using ACT/365 method

Manager Comment

Liquidity at the front end significantly improved in July. Lati interest rates stabilized after the accord was reached with the European Commission and the loan was granted to cover the budget deficit. Nevertheless the rates for 3 months and longer periods remain elevated since uncertainty remains about the payment from the IMF and the ability of the government to adopt the 2010 budget in line with the recommendations of international lenders. The instability of the governing coalition is a further risk. The expectation that the IMF will now pay the money has, at least for now, lessened although not distinguished the concern about devaluation. The GDP for the second quarter is due on 10 August, which is the next thing that the market will focus on, especially after the extremely weak numbers that Lithuania reported. In the deposit market 1M RIGIBID rate declined from 11.7% to 6.4%. 1 month deposit rates have fallen from over 30% during the peak of the crisis in June to around 6% on average in the beginning of August.

Risk level



equity funds
 balanced funds
 fixed income funds

risk

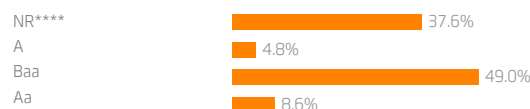
Higher expected yield is accompanied by higher risk

Distribution of investments



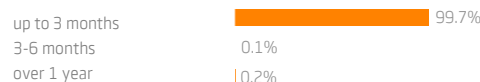
*** - including redemption liabilities

Portfolio by ratings



**** - investments without rating of international rating agencies

Portfolio by modified duration



Portfolio by currencies



Larger investments

Weight

Bonds of LHZB 15.08.2009	17.15%
LR bonds 21.08.2009	14.23%
LR bonds 21.08.2009	7.90%
Term deposit in Danske 07.08.2009	7.15%
Term deposit in Swedbank 07.08.2009	6.35%
Term deposit in Swedbank 03.08.2009	5.62%
Term deposit in Danske 12.08.2009	4.97%
Term deposit in Nordea 03.08.2009	4.82%
Term deposit in Swedbank 07.08.2009	4.77%
LR bonds 04.02.2010	0.08%