



Khaleej Equity Fund

Fact Sheet - March 2013

NAV US\$ 236.31 ↑2.4%

Manager's Commentary

With the exception of Saudi Arabia and Dubai, other GCC markets posted modest returns in March. Saudi Arabia was the best performing market and appreciated by 1.8%. Petrochemical and consumer sector companies within Saudi Arabia rose in the range of 5-10%. Petrochemical sector stocks tracked oil prices while consumer companies rose in anticipation of decent first quarter numbers. Dubai, on the other hand, witnessed profit taking after a strong rally during the two preceding months and declined by 5.1% in March. Abu Dhabi declined marginally while the other GCC bourses were range bound.

The NAV of Khaleej Equity Fund increased by 2.4% and extended its gains for the year to 9.1%. Stock selection in Saudi Arabia continued to be the main source of the outperformance as our core holdings from the consumer and telecom sectors were up in the range of 5-10%. The fund's performance continues to be very strong both on an absolute and relative basis. During the last one year, the fund is up nearly 4%, while the benchmark is down 6%. During March, we started to book profits in certain stocks that have performed well this year. Consequently, the cash allocation increased to 7%, which will be gradually deployed in new investment ideas.

We are pleased to inform you that Standard & Poor Capital IQ, in their latest review has retained Khaleej Equity Fund's 'Gold' fund grading and awarded a 'Five-year Long-term' grading. To put things into perspective, only three GCC funds secured a 'Gold' rating, all of which are managed by SICO.

Investment Objective

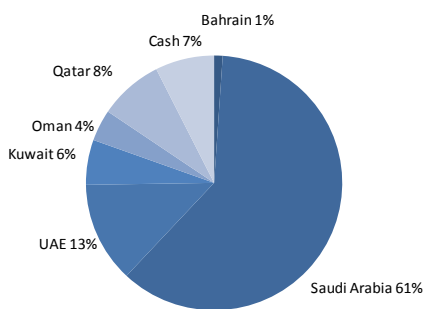
The Fund seeks long-term capital appreciation by investing principally in equity securities listed on the stock markets of GCC countries.

Returns (%)

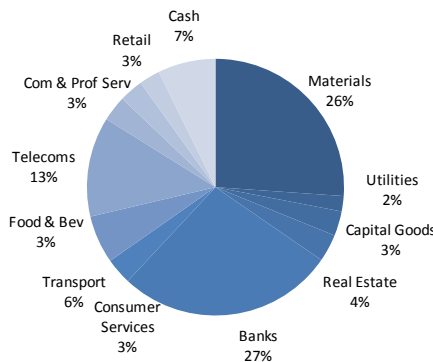
	Fund	Index*
Mar 2013	2.4	0.7
2013 (Jan-Mar)	9.1	4.5
2012	5.9	3.2
2011	-5.9	-8.2
2010	14.1	12.8
2009	16.9	14.1
2008	-33.9	-55.3
2007	43.9	35.4
2006	-13.9	-40.2
Last 3 months	9.1	4.5
Last 6 months	11.3	4.4
Last 1 year	3.7	-6.0
Last 3 years	11.7	0.9
Last 5 years	-9.7	-38.7
Since Inception (Mar 04-Mar13)	136.3	34.7

* S&P GCC Composite Index

Country Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	12.8	13.5
Price to Book Multiple Latest (x)	2.6	1.7
Return on Equity TTM (%)	20.4	12.4
Dividend Yield - 2012 (%)	4.6	3.8
Number of Holdings	30	277
Annualized Return (%)	10.0	3.4
Annualized Standard Deviation (%)	17.7	24.2
Largest Monthly Gain (%)	14.8 (Mar 05)	17.6 (Mar 05)
Largest Monthly Loss (%)	-20.3 (Oct 08)	-24.7 (Oct 08)
% of Positive Months	59	55
Success Ratio (%)	55	NA
Maximum Drawdown-Peak to Trough (%)	-47.4	-62.6
Length of Drawdown (months)	9	9
Recovery from Maximum Drawdown (%)	58.0	52.0

Fund Information

Launch Date	March 2004
Management Fee	1.5%
Performance Fee	10% over 10% pa
Subscription & Redemption	Weekly
Dealing Day	Thursday
Subscription & Redemption Deadline	Two Business Days before Dealing Day
Minimum Subscription	US\$100,000
Bloomberg Code	KHALEQY BI
Zawya Code	SICOKEF.MF
Fund ISIN Code	BH000A1CZ8W7
Custodian/ Administrator	HSBC, Bahrain

Top Holdings

Name	Country	(%)
Etihad Etisalat	Saudi	7.5
Al Rajhi Bank	Saudi	7.0
Saudi Basic Industries	Saudi	6.9

Risk Statistics

Annualized Standard Deviation (%)	17.7
Sharpe Ratio	0.4
Tracking Error (%)	12.6
Information Ratio	0.5
Alpha (%)	6.8
Beta	0.7

For further information contact: assetmanagement@sicobahrain.com

Securities & Investment Company BSC (c)
P.O. Box 1331, Manama, Kingdom of Bahrain
Tel: +973 1751 5000 Fax: +973 1751 4000
CR No: 33469

شركة الأوراق المالية والاستثمار ش.م.ب (م)
ص:ب: ١٣٣١، المنامة، مملكة البحرين
هاتف: +٩٧٣ ١٧٥١ ٥٠٠٠ فاكس: +٩٧٣ ١٧٥١ ٤٠٠٠
سجل تجاري رقم ٣٣٤٦٩

بنك استثماري sico Investment Bank