


SICO Kingdom Equity Fund

Fact Sheet - January 2015

NAV USD 16.96  7.2%

Manager's Commentary

The Saudi market started the year on a positive note and the index ended 6.5% higher. Oil prices stabilized around US\$50 and started to inch upwards that instilled some confidence to investors. Furthermore, a smooth political transition and reaffirmations that the market would be opened to foreigners during the first half of the year also added to the positive sentiment. However, the rest of the markets were relatively subdued and majority of the bourses posted negative returns.

The value of the fund recorded a strong performance and appreciated by 7.2%. Although the fund was defensively positioned, it participated in the upside as some of our high conviction calls rose sharply. Tawuniya was a star performer as its share price appreciated by 37% for the month on the back of its attractive valuations and decent fourth quarter numbers. Similarly, Saudi Arabia Mining was also in the limelight and appreciated by 20%. Selected consumer names also participated in the rally on the back of decent earnings announcements.

The Saudi companies reported disappointing results where fourth quarter profits declined by 25%. This was primarily due to the exceptional loss of Etihad Etisalat and the decline in profits of petrochemical companies. Selected banks, telecoms and consumer companies also reported below than expected numbers. Our strategy going forward is to remain selective and focus on good quality names where we are reasonably confident on their medium to long term earnings growth prospects.

Investment Objective

The primary objective of this Fund is to seek long-term capital appreciation. The Fund will aim to achieve this investment objective by primarily investing in equity securities listed in Saudi Arabia.

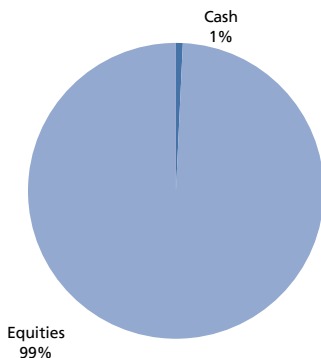
Returns (%)	Fund	Index*
January 2015	7.2	6.5
2014	8.9	-2.4
2013	33.1	25.5
2012	8.7	6.0
2011 (Feb – Dec)	0.4	0.9
Last 3 Months	-8.5	-11.5
Last 6 Months	-5.8	-13.1
Last 1 Year	12.9	1.3
Last 3 Years	65.7	34.0
Last 5 Years	NA	NA
Since Inception (Feb 11— Jan 15)	69.6	39.6

*Saudi Stock Exchange Index

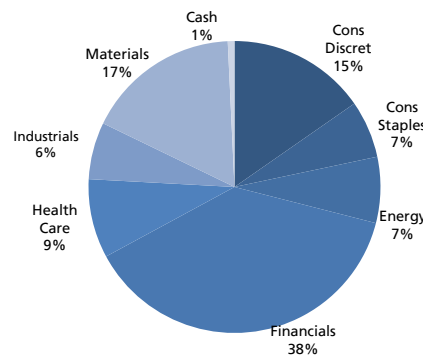
Fund Information

Launch Date	February 2011
Management Fee	1.5%
Subscription & Redemption	Weekly
Dealing Day	Wednesday
Subscription & Redemption Dead-line	Two Business days before dealing day
Minimum Subscription	USD 100,000
Bloomberg Code	SICOKEF BI Equity
Zawya Code	SICOKEQ.MF
Fund ISIN Code	BH00016X01B0
Custodian / Administrator	HSBC Bahrain

Asset Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	17.9	16.1
Price to Book Multiple Latest (x)	4.1	2.0
Return on Equity TTM (%)	20.8	12.5
Dividend Yield—2013 (%)	1.8	3.4
Number of Holdings	31	105
Annualized Return (%) - Last 3 years	18.3	10.2
Annualized Standard Deviation (%) - Last 3 years	15.3	17.0
Largest Monthly Gain (%)	8.0 (Jul 14)	10.5 (Mar 11)
Largest Monthly Loss (%)	-13.0 (Nov 14)	-14.1 (Nov 14)
% Positive Months (%)	67	67
Success Ratio (%)	67	NA
Maximum Drawdown-Peak to Trough (%)	-14.4	-20.1
Length of Drawdown (months)	4	4
Recovery from Maximum Drawdown (%)	79.1	48.5

Top Holdings

Name	Sector	(%)
SAMBA Financial	Financials	6.1
Alinma Bank	Financials	5.2
Abdul Mohsen Al Hokair	Consumer	5.0

Risk Statistics (last 3 years)

Standard Deviation (%)	15.3
Sharpe Ratio	1.0
Tracking Error (%)	4.3
Information Ratio	1.9
Alpha (%)	8.6
Beta	0.9

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
www.sicobahrain.com

شركة الأوراق المالية والاستثمار ش.م.ب (م)
ص.ب. 1331، المنامة، مملكة البحرين
هاتف: +973 1751 5000 فاكس: +973 1751 4000
سجل تجاري رقم 33469

بنك استثماري **sico**
Investment Bank

This report should not be considered an offer to sell, or a solicitation to buy, shares mentioned herein. Past performance is no indication of future results. Fund historical performance does not promise the same or similar results in the future. Principal value, share prices and investment returns fluctuate with changes in market conditions. The information contained herein has been compiled from sources believed to be reliable; however Securities & Investment Company ("SICO") does not guarantee its accuracy or completeness. Opinions, forecasts and estimates constitute our judgment as of the date of this report and are subject to change without notice. This report is not a solicitation of an order to buy or sell securities or to provide investment advice or service. SICO or its affiliates may from time to time engage in long or short positions in the securities mentioned herein. SICO or its affiliates may act as principal, agent or market maker or provide other services to the issuers of securities mentioned herein. This report is provided for information purposes only and may not be copied or distributed to any other person without the prior written consent of SICO.