

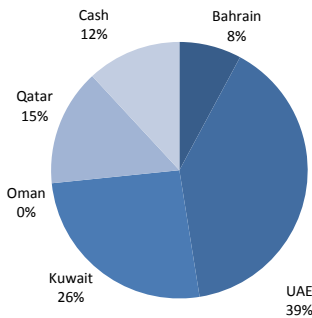
Manager's Commentary

The GCC markets witnessed a mixed performance during the month, which saw both Saudi Arabia and Kuwait bourses trending downwards, returning negative 6.2% and 1.4%, respectively. The rest of the GCC markets closed in the positive territory, led by Abu Dhabi which appreciated by 4.3%. The key driver was the index heavyweight, Etisalat, which rallied 17% after announcing that foreign investors can now purchase the stock. Following its sister emirate, Dubai added 4.2% mainly due to interest in small-to-mid cap companies. The relisting of Amlak Finance after a period of six years was welcomed by investors as its share price surged almost 173% in June. Qatar gained 1.3% while both Oman and Bahrain were down around 1%.

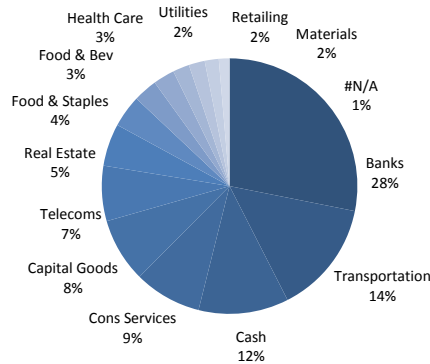
SICO Gulf Equity Fund returned 2.4% beating the S&P GCC ex Saudi benchmark which reported 1.4% return for the month. The outperformance was mainly driven by stock selection from our top holdings in Qatar and the UAE. Dubai Parks was one of the notable contributors as its share price rose 16% on the back of continued interest from foreign investors.

As the Holy month of Ramadan, Eid and summer holidays carry through July, we anticipate the markets to continue to trade lower volumes as seen in June. We will use this opportunity to gradually deploy the cash that we currently have into either fresh investment ideas that we have recently looked at or our existing holdings. We have also positioned the fund by investing in companies where we believe second quarter earnings would positively surprise the market.

Asset Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	11.7	13.6
Price to Book Multiple Latest (x)	2.5	1.7
Return on Equity TTM (%)	21.3	12.4
Dividend Yield—2014 (%)	3.7	3.3
Number of Holdings	27	136
Annualized Return (%) - Last 5 years	12.5	6.9
Annualized Standard Deviation (%) - Last 5 years	13.4	15.0
Largest Monthly Gain (%)	12.6 (Apr 09)	14.1 (May 09)
Largest Monthly Loss (%)	-14.9 (Oct 08)	-24.4 (Oct 08)
% Positive Months (%)	59.8	51.8
Success Ratio (%)	63	NA
Maximum Drawdown-Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from Maximum Drawdown (%)	111.8	71.4

Investment Objective

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

Returns (%)	Fund	Index*
June 2015	2.1	1.4
2015 (Jan - Jun)	12.4	-2.8
2014	4.2	3.2
2013	32.4	27.4
2012	6.1	1.4
2011	-8.2	-14.0
2010	11.6	18.4
2009	12.9	-1.1
2008	-30.8	-53.4
Last 3 Months	10.0	3.0
Last 6 Months	12.4	-2.8
Last 1 Year	8.9	-5.4
Last 3 Years	65.1	34.6
Last 5 Years	80.3	39.7
Last 7 Years	80.3	-42.0
Since Inception (Feb 06 - Jun 15)	67.9	-33.0

*S&P GCC ex Saudi Index

Fund Information

Launch Date	March 2006
Management Fee	1.5%
Performance Fee	10% over 10%
Subscription & Redemption	Weekly
Dealing Day	Wednesday
Subscription & Redemption Deadline	Two business days before the dealing day
Minimum Subscription	US\$ 100,000
Bloomberg Code	SICGULF BI
Zawya Code	SICOGEF.MF
Fund ISIN Code	BH000A1CZ855
Custodian / Administrator	HSBC Bahrain

Top Holdings

Name	Country	(%)
Emaar Properties	UAE	7.9
Dubai Parks and Resorts	UAE	6.5
VIVA Kuwait	Kuwait	5.5

Risk Statistics (last 5 years)

Standard Deviation (%)	13.4
Sharpe Ratio	0.7
Tracking Error (%)	5.8
Information Ratio	1.0
Alpha (%)	6.3
Beta	0.8

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