

SICO Gulf Equity Fund

Fact Sheet - April 2013

NAVUS\$121.2 ↑ 7.1%

Adjusted (for dividends) NAVUS\$127.4

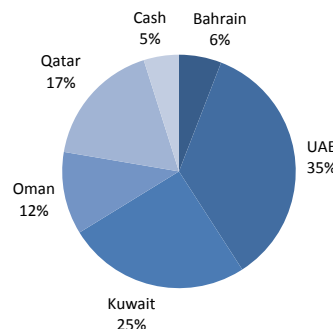
Manager's Commentary

Global equity markets maintained their positive momentum in April. In the US, the S&P500 index attained an all-time high, backed by healthy economic and earnings along with expectations of further quantitative easing. Given this backdrop, investors in the GCC markets reacted positively, with all bourses ending the month in the black. Dubai was the biggest gainer (+16.7%), posting its largest monthly gain for the past one year as the average traded value significantly increased compared to the previous month. While Abu Dhabi increased by 8.2%, the Kuwait market also appreciated by 5.1%.

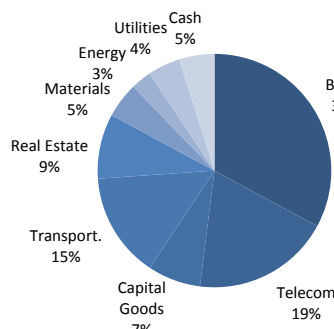
The UAE markets were mainly driven by large caps such as Emaar Properties (+10%), National Bank of Abu Dhabi (+10%) and Abu Dhabi Commercial Bank (+11%). In addition, there were sharp increases in share prices of stocks such as Dubai Islamic Bank (DIB), Drake and Scull (DSI) and Air Arabia. DIB attracted investor interest as it was trading at a Price to Book of 0.6x and was a laggard in the UAE market's recovery. Air Arabia recovered from its lowest point for the year after the stock went ex-dividend, as investors realized its upside potential considering its valuation multiples and dividend yield.

The fund's NAV increased by 7.1% during the month, whereas the benchmark increased by 4.6%. Once again, superior asset allocation and stock selection enabled the portfolio to outperform the benchmark. Year-to-date, the fund is up 17.7%, outperforming most of its peers as well as the benchmark. During April, we deployed the liquidity generated in the last month by investing in new ideas in Kuwait. In the near term, we expect the overall positive momentum to continue in the GCC, while stock specific movements would be governed by the first quarter's results. We intend to book profits in our UAE holdings which have reached their fair values and reallocate cash to investment ideas in other markets.

Country Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	11.5	12.7
Price to Book Multiple Latest (x)	1.7	1.5
Return on Equity TTM (%)	14.1	12.0
Dividend Yield - 2012 (%)	4.2	4.1
Number of Holdings	28	125
Annualized Return (%)	3.4	-7.3
Annualized Standard Deviation (%)	17.6	21.7
Largest Monthly Gain (%)	12.6 (Apr 09)	15.4 (May-09)
Largest Monthly Loss (%)	-14.9 (Oct 08)	-24.4 (Oct-08)
% of Positive Months	58	48
Success Ratio (%)	65	NA
Maximum Drawdown-Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from Maximum Drawdown (%)	59.2	48.3

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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*
April 2013	7.1	4.6
YTD 2013 (Jan - Apr)	17.7	10.5
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
2007	37.2	38.2
2006 (Feb - Dec)	-7.2	-20.2
Last 3 months	10.5	4.2
Last 6 months	20.0	12.0
Last 1 year	17.9	10.1
Last 3 years	18.5	4.7
Last 5 years	-14.3	-50.4
Since Inception (Feb 06 - Apr 13)	27.4	-42.0

* S&P GCC ex Saudi Index

Fund Information

Launch Date	March 2006
Management Fee	1.5%
Performance Fee	10% over 10% pa
Subscription & Redemption	Weekly
Dealing Day	Wednesday
Subscription & Redemption Deadline	Two Business days before 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	(%)
Zain	Kuwait	6.0
Emaar Properties	UAE	5.2
First Gulf Bank	UAE	5.0

Risk Statistics

Annualised Standard Deviation (%)	17.6
Sharpe Ratio*	0.23
Tracking Error (%)	10.1
Information Ratio	1.1
Beta	0.7
Alpha (%)	7.9

* Sharpe ratio is based on last 3 years' data
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