

SICO Gulf Equity Fund

Fact Sheet - April 2014

NAVUS\$150.6 ↑ 4.2%

Adjusted (for dividends) NAVUS\$164.6

Manager's Commentary

The GCC markets continued their steady uptrend during the month of April in contrast to the lukewarm performance of other global markets. The overall returns were mainly boosted by the Dubai and Qatari bourses. Dubai increased by 13.7% and extended its year-to-date gains to above 50%. The returns were backed by strong first quarter results, which further boosted the Investor appetite. On average, the YoY increase in earnings of UAE listed companies was 28%. The Qatari market witnessed strong buying interest surrounding shariah-compliant stocks and posted a return of 8.9%. Abu Dhabi increased by 3.1%, while Kuwait and Saudi Arabia appreciated in the range of 1-2%. Oman was the only GCC market to end the month in the red.

The fund posted a return of 4.2% bringing its year to date return to 14.9%. The main reason for under performance continues to be strong momentum in small cap/ speculative segment of the market. For example, the S&P GCC small cap index is up by 6.8% for the month, whereas, the S&P GCC large and mid-cap index is up by only 2.1%. As the fund had low exposure to small caps, it has not benefited from this increase. In Qatar, although we did not have exposure to stocks which were subject to speculative buying, we did benefit from our high conviction calls in stocks such as Al Meera and Qatar National Cement.

We expect the regional markets to consolidate in the short term, given the strong returns posted on year-to-date basis. While UAE companies have posted strong earnings growth, results from corporates in Qatar, Oman and Kuwait have been poor. We intend to book profits from selected holdings, especially in the UAE, which have appreciated sharply in the past few months. In addition, we will continue to deploy funds in investment ideas that we have recently finalized during management meetings.

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*
Apr 2014	4.2	5.9
2014 (Jan-Apr)	14.9	17.6
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
2007	37.2	38.2
Last 3 months	10.4	11.8
Last 6 months	18.6	23.4
Last 1 year	29.2	35.6
Last 3 years	46.3	34.8
Last 5 years	72.9	69.1
Last 7 years	66.4	-5.0
Since Inception (Feb 06 – Apr 14)	64.6	-21.4

* 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 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

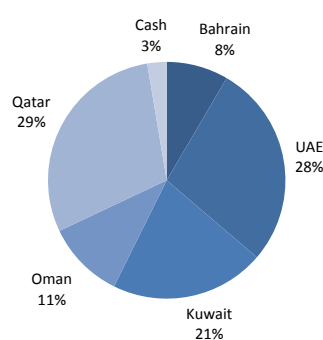
Name	Country	(%)
Emaar Properties	UAE	6.7
Ahli United Bank	Bahrain	4.5
Bank Muscat	Oman	4.3

Risk Statistics (last 5 years)

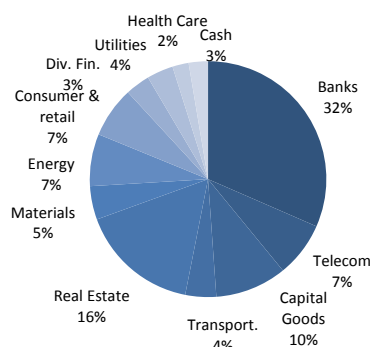
Annualised Standard Deviation (%)	13.1
Sharpe Ratio	0.61
Tracking Error (%)	7.1
Information Ratio	0.1
Beta	0.8
Alpha (%)	2.1

* Sharpe ratio is based on last 3 years' data
For further information contact assetmanagement@sicobahrain.com

Country Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	16.4	16.7
Price to Book Multiple Latest (x)	2.2	2.0
Return on Equity TTM (%)	13.7	11.9
Dividend Yield - 2012 (%)	3.1	3.2
Number of Holdings	39	125
Annualized Return – last 5 years (%)	11.6	11.1
Annualized Standard Deviation – last 5 years (%)	13.1	14.4
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	61	52
Success Ratio (%)	61	NA
Maximum Drawdown-Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from Maximum Drawdown (%)	102.7	101.0

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