

SICO Gulf Equity Fund

Fact Sheet - February 2013

NAVUS\$110.8 ↑1.1%

Adjusted (for dividends) NAVUS\$116.5

Manager's Commentary

The GCC markets consolidated during the month of February, subsequent to two months of positive returns. While the global markets rebuffed an indecisive election in Italy, the local arena was uneventful. In terms of individual bourses, the returns were a mixed bag. The Abu Dhabi market was in the forefront, increasing by 5.7%, followed by Oman, which gained 3%. The Dubai market maintained its status as the best performing market year-to-date as it increased by 2.1%. On the other hand, Qatar and Saudi Arabia declined by 2.2% and 0.6% respectively. Returns of Kuwait and Bahrain were range bound.

The dividend theme was in the forefront in Abu Dhabi as investors reacted positively to the dividend hikes from the banks. RAK Properties, which announced dividends after four years was also lifted by as much as 30% during the month. However, index heavyweight Emaar Properties once again had the biggest impact on the overall market returns. Buying interest in a few selected companies in Oman and Bahrain had a positive impact in the respective indices. Qatari market was affected by the dividend payment of a number of financial stocks.

While the benchmark S&P GCC ex Saudi index increased by only 0.1% during February, the fund appreciated by 1.1%. For the second consecutive month, a higher allocation to UAE and stock selection within that market mainly helped the fund's performance. Emaar Properties, First Gulf Bank and DEPA Group made the most significant contributions to the portfolio's performance. Year-to-date, the fund is up 7.7% and is amongst the best performing funds in the region. This month, SICO Gulf Equity Fund completed a 7-year track record, which encompasses two major GCC market corrections. Please note that the fund has generated a positive return of 16.5% since its inception, whereas its benchmark has declined by 44.3%. Although we expect the markets to remain range bound for the next few months, the stock specific momentum should prevail.

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*
February 2013	1.1	0.1
YTD 2013 (Jan - Feb)	7.7	6.2
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	8.4	5.8
Last 6 months	12.0	11.1
Last 1 year	8.8	4.2
Last 3 years	15.7	5.4
Last 5 years	-17.0	-53.7
Since Inception (Feb 06 - Feb 13)	16.5	-44.3

* 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

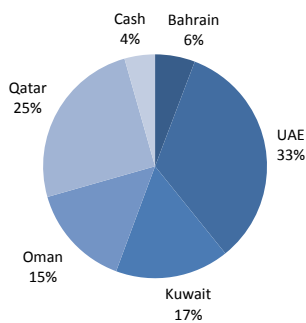
Name	Country	(%)
Industries Qatar	Qatar	7.6
Zain	Kuwait	6.6
Emaar Properties	UAE	6.2

Risk Statistics

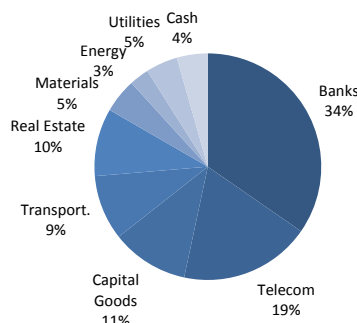
Annualised Standard Deviation (%)	17.6
Sharpe Ratio*	0.16
Tracking Error (%)	10.3
Information Ratio	1.0
Beta	0.7
Alpha (%)	7.1

* 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)	11.6	12.4
Price to Book Multiple Latest (x)	1.8	1.4
Return on Equity TTM (%)	16.3	11.5
Dividend Yield - 2011 (%)	4.6	4.0
Number of Holdings	24	125
Annualized Return (%)	2.2	-8.0
Annualized Standard Deviation (%)	17.6	21.8
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	57	48
Success Ratio (%)	64	NA
Maximum Drawdown-Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from Maximum Drawdown (%)	46.1	42.5

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 believe 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.