

# SICO Gulf Equity Fund

Fact Sheet - January 31, 2007

NAV US\$93.39 ↑ 0.6%

## Manager's Commentary

With the exception of Oman, rest of the GCC markets started the year on a submissive note. The markets traded in a narrow range as profit taking was witnessed on market strengths. On the whole, investor interest remained low despite many blue chip companies announcing decent full year results.

Despite a lackluster performance of the regional markets, the NAV of SICO Gulf Equity Fund increased by 0.6% for the month. This was primarily to its high allocation to selected blue chip companies in Kuwait and the UAE. The fund's large exposure to CBK (+18.2%), Wataniya Telecom (+14.3%), Emaar Properties (+3.7%) helped improve the overall return of the fund. However, at the same time, the slightly negative returns of our other main holdings such as Global Investment (-10.0%) and Industries Qatar (-6.6%) restricted the fund's progress.

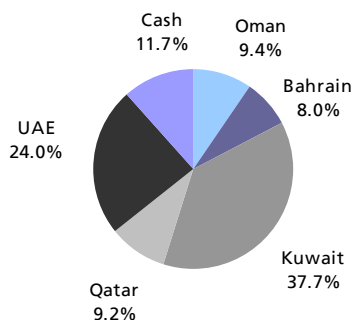
During January, in the case of some Omani and Kuwait equities, we took advantage of the upsurge and trimmed our exposure to stocks that we felt had touched their estimated fair values. Similarly, the strong performance of the Qatari market during the preceding month (+19.8%) prompted us realize profits on our Qatari holdings.

As a result of the above mentioned reallocations, the fund still has decent cash allocation – 11.7% as at the end of January - which would be utilized to take advantage of possible corrections in the regional markets. We would continue investing in companies with solid fundamentals, cheap valuations and decent medium and long term prospects.

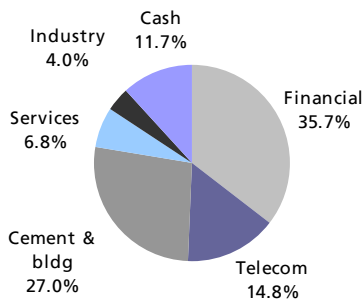
## Fund Statistics

|                                   |                |
|-----------------------------------|----------------|
| Price Earnings Multiple 2006 (x)  | 11.5           |
| Dividend Yield 2005 (%)           | 3.2            |
| Number of Holdings                | 30             |
| Annualized Return (%)             | -6.6           |
| Largest Monthly Gain (%)          | 5.7% (Aug 06)  |
| Largest Monthly Loss (%)          | -9.2% (Nov 06) |
| % of Positive Months              | 45.5%          |
| Annualized Standard Deviation (%) | 16.4           |
| Sharpe Ratio                      | n/a            |
| Maximum Drawdown (%)              | -9.2           |

## Country Allocation



## Sector Allocation



\* For further information contact Marketing at: [marketing@sicobahrain.com](mailto:marketing@sicobahrain.com)

## 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.

## Fund Returns (%)

|                  | SICO Gulf Equity Fund | MSCI Ex Saudi Index |
|------------------|-----------------------|---------------------|
| January 2007     | 0.6                   | -1.2                |
| Last 3 months    | -5.5                  | -8.5                |
| Last 6 months    | 7.8                   | 0.6                 |
| 2006 (Mar – Dec) | -7.2                  | -18.8               |
| Since Inception  | -6.6                  | -19.8               |

## Top Holdings

| Name                    | Country | (%) |
|-------------------------|---------|-----|
| Emaar Properties        | UAE     | 9.1 |
| MTC                     | Kuwait  | 6.5 |
| Global Investment House | Kuwait  | 5.5 |

## Fund Information

|                           |                                     |
|---------------------------|-------------------------------------|
| Launch Date               | March, 2006                         |
| Management Fee            | 1.5%                                |
| Performance Fee           | 10% over 10% pa                     |
| Subscription & Redemption | Monthly                             |
| Subscription Deadline     | Five Business days before month end |
| Redemption Deadline       | Ten Business days before month end  |
| Minimum Subscription      | US\$100,000                         |
| Reuters Code              | <SICO>                              |
| Fund Listing              | Bahrain Stock Exchange              |
| Custodian                 | SICO Funds Services                 |
| Auditors                  | Price Waterhouse Cooper             |

## Head of Asset Management

Shakeel Sarwar

## Management Team

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Investment Bank

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