

SICO Gulf Equity Fund

Fact Sheet - March 2015

NAVUS\$114.48 ↓ 3.1%

Adjusted (for dividends) NAVUS\$152.55

Manager's Commentary

The S&P GCC ex Saudi Index posted its worst decline since June 2014, wiping out all the gains generated in February. The regional markets sold off heavily on the back of geopolitical tension in the region and the lack of interest from foreign and retail investors. Dubai's DFM was the worst performing market as investors rushed to the doors reducing their exposure on concerns of a slowdown in the real estate sector and further escalation in Yemen. This led the market to drop as much as 11.8% before recovering slightly during the last week, closing the month with a negative return of 9.1%. The rest of the markets were unable to defy gravity and followed suit dropping in the range of 5-6%.

The SICO Gulf Equity Fund declined by 3.1% compared to a 7.5% decline in the benchmark. Our defensive approach adopted in March, and our rigorous fundamental stock selection process, paid off in limiting the fund's losses. We took advantage of the sharp fall in Dubai and further topped up our exposure, while continuing to remain invested in our core holdings elsewhere. We would like to bring to your attention that the fund distributed its third consecutive annual dividend whereby \$7 per unit was distributed to our investors this year.

Going forward, given the geopolitical turmoil and the upcoming first quarter earnings announcements, we continue to remain cautious. Nevertheless, it is worth noting that we have witnessed renewed interest in the GCC markets in April, especially in Dubai, which has recovered almost half of the losses incurred in March. We continue to remain almost fully invested and expect our selected stocks to continue their out performance in the coming months.

Investment Objective

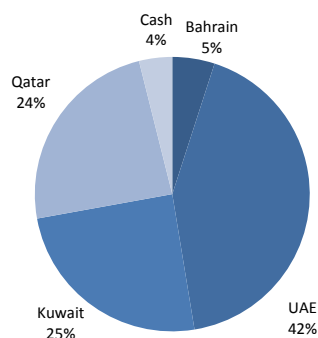
The Fund seeks to achieve long-term capital appreciation by investing principally in equity securities listed on the stock markets of the GCC countries excluding Saudi Arabia.

Returns (%)

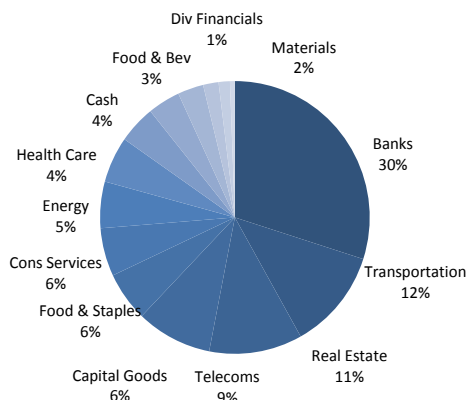
	Fund	Index*
March 2015	-3.1	-7.5
2015 (Jan-Mar)	2.2	-5.6
2014	4.2	3.2
2013	32.4	27.4
2012	6.1	1.4
2011	-8.2	-14.0
2010	11.6	18.4
2009	12.9	-1.1
2008	-30.8	-53.4
Last 3 months	2.2	-5.6
Last 6 months	-12.2	-18.6
Last 1 year	-3.4	-12.3
Last 3 years	40.7	21.2
Last 5 years	42.7	16.8
Last 7 years	10.7	-42.1
Since Inception (Feb 06 – Mar 15)	52.6	-34.9

* S&P GCC ex Saudi Index

Country Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	13.1	13.0
Price to Book Multiple Latest (x)	2.1	1.6
Return on Equity TTM (%)	15.8	12.4
Dividend Yield - 2014 (%)	5.2	3.9
Number of Holdings	28	136
Annualized Return – last 5 years (%)	7.4	3.2
Annualized Standard Deviation – last 5 years (%)	13.1	15.0
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	65	56
Success Ratio (%)	62	NA
Maximum Drawdown-Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from Maximum Drawdown (%)	92.5	66.5

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	8.1
Al Meera Consumer	Qatar	5.7
Al Jazeera Airways	Kuwait	5.6

Risk Statistics (last 5 years)

Annualised Standard Deviation (%)	13.1
Sharpe Ratio	0.3
Tracking Error (%)	5.7
Information Ratio	0.7
Alpha (%)	4.2
Beta	0.8

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