

SICO Gulf Equity Fund

Fact Sheet - May 2017

NAV US\$ 106.71 ↓ 0.6%

Adjusted (for dividends) NAV US\$ 158.66

Manager's Commentary

The regional bourses continued their downward trend and all markets posted negative returns, ranging from negative 1.5% to negative 2.5%. Several corporates announced their first quarter earnings during the month that provided investors with an opportunity to book gains before the onset of the Ramadan and summer season. The exception to this was Egypt that posted a strong return of 7.3% during May.

On the back of a muted performance by most markets, the fund declined by 0.6%. The fund benefited from our exposure to Egyptian equities that rallied on the back of a broad recovery. Commercial International Bank was one of the top performers and rose 12% given their strong first quarter announcement. Within the GCC, Humansoft continued to rise and once again positively contributed to the fund's returns. However, the modest declines in our other holdings results in the marginal decline during the month.

Given the recent developments in Qatar, we are closely monitoring our investments and continue to maintain an underweight stance by having around 14% exposure compared to a 30% allocation to Qatar in the benchmark. Our focus remains on investing elsewhere focusing on investment themes in the UAE and Kuwait as we expect these markets to outperform in the coming months.

On a separate note, we are pleased to announce that the Directors of the fund have announced a dividend payment of US\$6/unit to our unitholders with the actual distribution to be made in the coming weeks.

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*
May 2017	-0.6	-0.8
YTD (May 2017)	4.4	3.3
2016	0.0	9.2
2015	1.8	-17.5
Last 3 Months	0.7	-1.7
Last 6 Months	9.8	8.8
Last 9 Months	2.1	5.8
Last 1 Year	4.2	13.0
Last 3 Years	-6.3	-18.6
Last 5 Years	53.5	42.3
Last 10 Years	49.3	-7.2
Since Inception (Mar 06– May 17)	58.7	-7.6

*S&P GCC ex Saudi Total Return 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 the dealing day
Minimum Subscription	US\$ 100,000
Bloomberg Code	SICGULF BI
Zawya Code	SICOGEF.MF
Fund ISIN Code	BH000A1CZ855
Custodian / Administrator	HSBC Bahrain

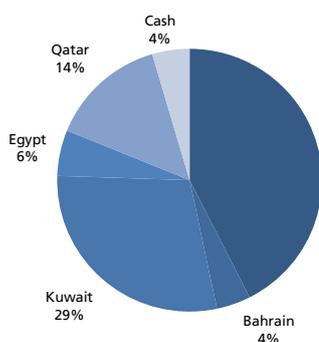
Top Holdings

Name	Country	(%)
Emaar Properties	UAE	6.5
National Bank of Kuwait	Kuwait	6.0
Kuwait Finance House	Kuwait	6.0

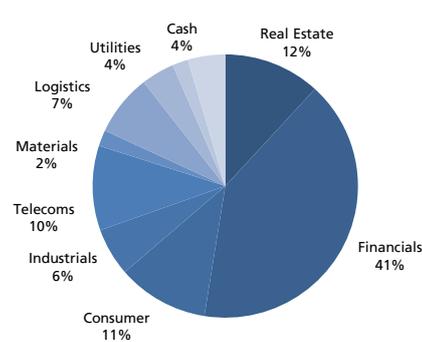
Risk Statistics (last 5 years)

Standard Deviation (%)	13.3
Sharpe Ratio	0.4
Tracking Error (%)	5.9
Information Ratio	0.3
Alpha (%)	2.5
Beta	0.8

Country Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	11.4	14.0
Price to Book Multiple Latest (x)	1.3	1.3
Return on Equity TTM (%)	12.7	10.2
Dividend Yield—2015 (%)	4.2	4.0
Number of Holdings	30	154
Annualized Return (%) - Last 5 years	9.0	7.3
Annualized Standard Deviation (%) - Last 5 years	13.3	15.5
Largest Monthly Gain (%) - Last 5 years	9.0 (Apr 15)	9.3 (Jul 14)
Largest Monthly Loss (%) - Last 5 years	-9.0 (Jun 14)	-13.6 (Jun 14)
% Positive Months (%)	59	52
Success Ratio (%) - Last 5 years	57	NA
Latest Drawdown-Peak to Trough (%)	-20.3	-33.0
Duration of Drawdown (months)	(17mths) Aug 14 to Jan 16	(21mths) May 14 to Jan 16
Recovery from Latest Drawdown (%)	14.5 Feb 16 to Apr 17	24.7 Feb 16 to Apr 17

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بنك استثماري sico
Investment Bank

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