

## SICO Gulf Equity Fund

Fact Sheet - June 2012

NAV US\$96.6 ↓ 1.7%

Adjusted (for dividends) NAV US\$101.6

## Manager's Commentary

During the month of June, crude oil price movement dictated the GCC markets' returns. At one point, Brent Crude price was down 12%, although it partly recovered towards the end of the month. Saudi Arabia led the declines (-3.8%), closely followed by Qatar (-3.5%). Kuwait, Dubai, Oman and Bahrain decreased ca.1%. On the other hand, Abu Dhabi ended the month marginally in positive territory. The global markets were broadly in black thanks to positive developments such as the favourable outcome in the Greek election.

S&P GCC (ex Saudi) Index declined by 1.3%, primarily due to the weakness in Qatari equities such as Qatar Telecom and Industries Qatar, that fell by 9% each. Qatar Telecom underwent a rights issue in June and its share price has fallen ca.15% in the past two months. The fund was impacted by other Qatari holdings as well and ended the month down by 1.7%. Its losses were limited by the healthy performance of Kuwaiti stocks such as Mabanee and Wataniya Telecom. For the first half of 2012, your fund is down 0.4% versus the benchmark's decline of 3.7%. This outperformance can be attributed to prudent asset allocation as well as stock selection.

Please note that for the first time in the history of the fund we paid a US\$5/unit dividend during the month, which is reflected in the NAV. We expect the GCC markets to remain subdued over the course of the summer season. Post this period, regional markets' momentum should pick up given their strong underlying fundamentals, barring external shocks. We have positioned ourselves to capitalize on such a recovery by investing in good quality names.

## 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	S&P GCC Ex Saudi Index
June 2012	-1.7	-1.3
YTD 2012 (Jan-Jun)	-0.4	-3.7
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 (Mar - Dec)	-7.2	-20.2
Last 3 months	-6.2	-7.3
Last 6 months	-0.4	-3.7
Last 1 year	-5.6	-9.2
Last 3 years	-0.9	-6.8
Last 5 years	-6.0	-47.9
Since Inception (Mar 06 - Jun 12)	1.6	-50.2

## 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

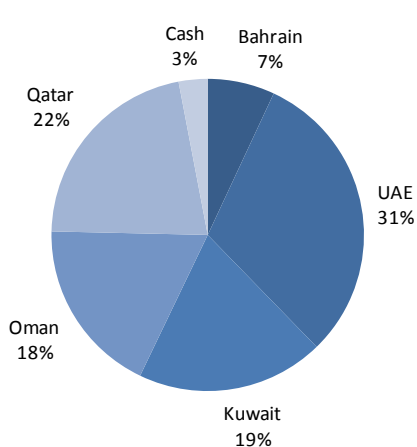
Name	Country	(%)
Bank Muscat	Oman	5.6
Zain	Kuwait	5.4
Qatar National Bank	Qatar	5.2

## Risk Statistics

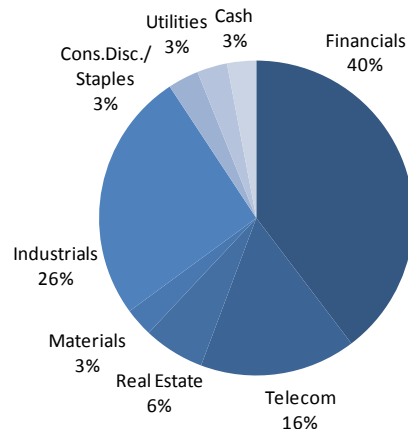
Annualised Standard Deviation (%)	18.3
Sharpe Ratio	NA
Tracking Error (%)	10.5
Information Ratio	1.0
Beta	0.7
Alpha (%)	6.6

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

## Country Allocation



## Sector Allocation



## Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	11.1	11.5
Price to Book Multiple Latest (x)	1.7	1.3
Return on Equity TTM (%)	16.0	11.5
Dividend Yield - 2011 (%)	5.2	4.6
Number of Holdings	28	125
Annualized Return (%)	0.3	-10.4
Annualized Standard Deviation (%)	18.3	23.0
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	53	45
Maximum Drawdown- Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from recent trough (%)	28.3	27.4

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](http://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.