

SICO Gulf Equity Fund

Fact Sheet - November 2012

NAVUS\$102.2 ↑1.2%

Adjusted (for dividends) NAVUS\$107.5

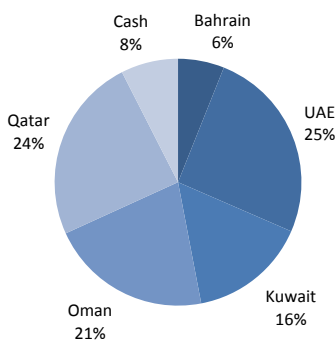
Manager's Commentary

The GCC markets' returns were negative during the month of November led by the Saudi bourse, which declined by 3.8% due to unfounded rumours on the Saudi King's health and a new labour law. Oman, which showed strength during the past three months fell by 2.3%, while the Qatari market declined by 1.7%. Dubai and Bahrain also ended the month in the red. The Kuwaiti market, however, managed to increase sharply (+4.2%), which was attributed by the market participants to the intervention by the state-owned National Portfolio. Furthermore, a statement by the Emir of Kuwait about pushing ahead economic development plans the investors. Abu Dhabi (+0.1%) was the only other market to end the month in the black.

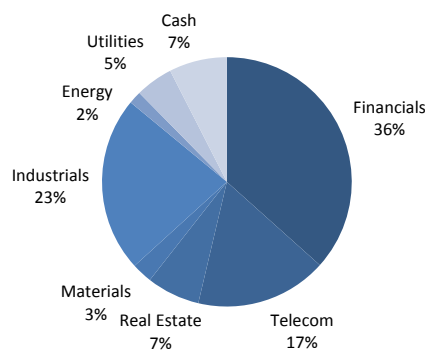
The index heavy-weight Zain, which increased by 13.5% in November, made the single largest contribution to the benchmark S&P GCC ex-Saudi index. Other notable gainers in Kuwait included, Gulf Cable (+13.0%), Mabaneer (+10.5%) and Kuwait Finance House (+8.0%). Drake and Scull was punished by investors (-12.1%) due to a poor set of 3Q12 results while Arabtec's share price also fell by 11.6% during the month. Air Arabia, which posted better than expected results were one of the best performers in the UAE, increasing by 5.4%.

The portfolio appreciated by 1.2% during the month, compared to a 1.7% increase in the benchmark. Our lower than benchmark allocation to Kuwait was the main reason for the underperformance. However, this was to a large extent mitigated by the strong performance of Depa Group, which increased by 64% during November. This occurred on the back of the purchase of a 24% stake in the company by Arabtec Holding at USD0.44 a share from a group of investment funds, including Blakeney LLP and Morgan Stanley. On year to date basis, the portfolio is up by 5.4% versus a 1.8% increase in the benchmark.

Country Allocation



Sector Allocation



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
November 2012	1.2	1.7
YTD 2012 (Jan-Nov)	5.4	1.8
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	3.3	5.0
Last 6 months	4.0	4.3
Last 1 year	6.1	1.2
Last 3 years	-1.2	2.1
Last 5 years	-8.5	-49.5
Since Inception (Aug 06 - Nov 12)	7.5	-47.4

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	7.4
Bank Muscat	Oman	5.8
Zain	Kuwait	5.6

Risk Statistics

Annualised Standard Deviation (%)	17.8
Sharpe Ratio	NA
Tracking Error (%)	10.4
Information Ratio	1.0
Beta	0.7
Alpha (%)	6.4

* For further information contact assetmanagement@sicobahrain.com

Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	11.1	12.0
Price to Book Multiple Latest (x)	1.9	1.4
Return on Equity TTM (%)	17.4	11.9
Dividend Yield - 2011 (%)	5.1	4.2
Number of Holdings	25	125
Annualized Return (%)	1.1	-9.1
Annualized Standard Deviation (%)	17.8	22.1
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	56	47
Maximum Drawdown-Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from recent trough (%)	35.3	34.7

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