

SICO Gulf Equity Fund

Fact Sheet - April 30, 2009

NAV US\$ 95.23 ↑ 12.6%

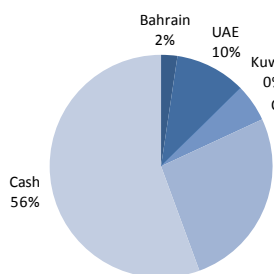
Manager's Commentary

The GCC markets continued to rally in April buoyed by fresh liquidity and govt. stimulus plans. Investors also got a shot of confidence as global economic indicators deteriorated less sharply and some of the earnings news surprised on the upside. Markets witnessed buying interest across all the sectors and it appears that financials and cyclicals garnered much of the attention unlike the widespread shift towards defensives seen in the previous months. Within the GCC markets ex Saudi, Qatar (15%), Kuwait (12%) and Oman (11%) were the strongest performers. Increased foreign investor participation was noticeable in Qatar and Oman while Kuwait emerged as the most actively traded market in April. The announcement of the long awaited financial stability plan in Kuwait aimed at encouraging lending and assisting distressed investment firms paved the way for a strong market rally. Kuwaiti policy makers also attempted to boost liquidity by reducing the discount rate. Amongst other GCC markets, UAE advanced modestly (about 2%) while Bahrain remained flat from its March close.

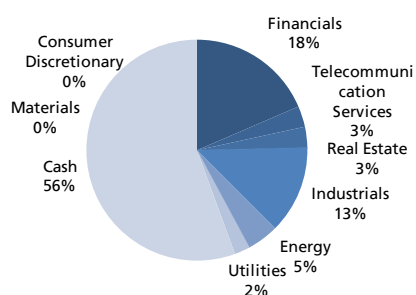
The NAV of SICO Gulf Equity Fund increased by 12.6% for the month compared to the MSCI GCC ex Saudi index which gained 10.6%. A vast portion of the fund's gains were contributed by our Qatari holdings in selective financial and industrial stocks. Our strategy was to take advantage of the market rally and book profits. We completely exited some industrial and defensive stocks in the UAE as well as some positions that we built in Kuwait at the beginning of the month. Despite our preference for a higher cash allocation, the fund outperformed the index in April. We would also like to point out the outperformance on a YTD basis as the fund is up by 8.0% while the benchmark is down by 10.7%.

Our fund strategy in April has been in line with a more sceptic view that likened the recent market gains to a bear market rally. Though we acknowledge that there are some moderate signs of stabilization as oil prices are beginning to climb and monetary and fiscal actions have begun to take effect, there are no convincing indicators that we are out of the woods yet. Corporate earnings are still weak and have not shown a distinct turnaround. Further, the markets seem to have risen too far too fast and may lead to a relapse in the recent optimism for equities. In view of these observations, we remain committed to our emphasis on prudent stock selection while managing our asset allocation cautiously.

Country Allocation



Sector Allocation



Fund Statistics

Price Earnings Multiple 2008 (x)	9.9
Price to Book Multiple Latest (x)	1.5
Dividend Yield 2008 (%)	6.3
Number of Holdings	17
Annualized Return (%)	
Largest Monthly Gain (%)	12.6 (Apr 09)
Largest Monthly Loss (%)	-14.9 (Oct 08)
% of Positive Months	53
Maximum Drawdown- Peak to Trough (%)	-47.8
Length of Drawdown (months)	9
Time to Recovery (months)	n/a

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سجل تجاري رقم ٣٣٤٦٩

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 (%)

	Fund	MSCI GCC Ex Saudi Index
April 2009	12.6	10.6
YTD 2009 (Jan-Mar)	8.0	-10.7
Last 3 months	16.1	8.6
Last 6 months	-2.5	-30.6
Last 1 year	-35.9	-58.7
Last 3 years	-1.5	-49.2
Last 5 years	n/a	n/a
2008	-30.8	-53.7
2007	37.2	35.4
2006 (Mar - Dec)	-7.2	-18.8
Since Inception (Mar 06 - Apr 09)	-4.8	-53.2

Top Holdings

Name	Country	(%)
Qatar Gas	Qatar	4.6
Commercial Bank of Qatar	Qatar	4.2
Qatar Electricity & Water	Qatar	3.7

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	LP65038264
Zawya Code	SICOGF.MF
Fund Listing	Bahrain Stock Exchange
Custodian/ Administrator	HSBC Middle East, Bahrain
Auditors	Price Waterhouse Coopers

Risk Statistics

Annualised Standard Deviation(%)	21.3
Sharpe Ratio	-0.3
Information Ratio	1.7
Beta	0.7
Alpha (%)	12.2

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