

SICO Kingdom Equity Fund

Fact Sheet - February 2015

NAV USD 17.75  4.7%

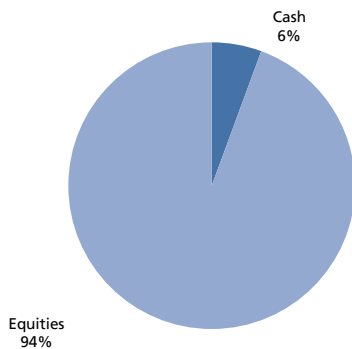
Manager's Commentary

The Saudi index maintained its positive momentum and appreciated close to 5% in February. Investor sentiment remained optimistic on the back of a strong rebound in oil prices whereby Brent crossed US\$60/barrel. Furthermore, the announcement of two months salaries was also well received by investors as it could benefit sectors such as consumers in the short term. On a year to date basis, the Saudi market has generated a return of close to 12% and is by far the best performing GCC market while the others are up in the range of 2-4%.

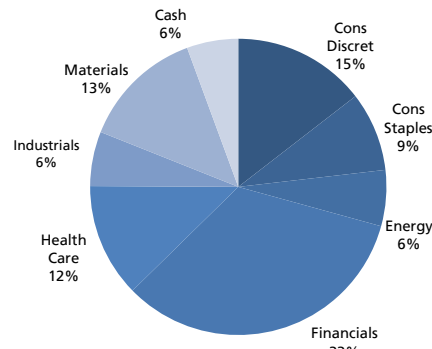
The fund participated in the rally and gained 4.7% in February. A higher allocation to stocks from the healthcare, consumer and financial sectors worked well as certain holdings appreciated by 10-15%. On the other hand, returns of the benchmark came mainly from the large caps and the Saudi real estate sector. For the year, despite being defensively positioned, the fund has performed in line with the overall market owing to good stock selection primarily from the consumer and insurance sectors.

Given that the market has increased by over 25% since its December lows, we expect some short term consolidation. We believe that once the rules and timelines of the market opening is announced, it will be positive for the market and well received. But until then the market returns will be rangebound due to lack of fresh catalysts. Our strategy is to rebalance the portfolio by concentrating on our core investments that we believe still offer decent upside potential. In addition, we met the management of several Saudi companies that has helped us unearth some fresh investment ideas that we will be implementing in the coming weeks.

Asset Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	17.0	14.4
Price to Book Multiple Latest (x)	4.3	1.9
Return on Equity TTM (%)	19.7	13.3
Dividend Yield—2014 (%)	2.2	3.6
Number of Holdings	32	105
Annualized Return (%) - Last 3 years	17.4	8.6
Annualized Standard Deviation (%) - Last 3 years	15.1	16.4
Largest Monthly Gain (%)	8.0 (Jul 14)	10.5 (Mar 11)
Largest Monthly Loss (%)	-13.0 (Nov 14)	-14.1 (Nov 14)
% Positive Months (%)	63	63
Success Ratio (%)	65	NA
Maximum Drawdown—Peak to Trough (%)	-20.1	-25.0
Length of Drawdown (months)	4	4
Recovery from Maximum Drawdown (%)	12.3	11.8

Investment Objective

The primary objective of this Fund is to seek long-term capital appreciation. The Fund will aim to achieve this investment objective by primarily investing in equity securities listed in Saudi Arabia.

Returns (%)	Fund	Index*
February 2015	4.7	4.9
2015 (Jan—Feb)	12.3	11.8
2014	8.9	-2.4
2013	33.1	25.5
2012	8.7	6.0
Last 3 Months	10.1	8.0
Last 6 Months	-10.4	-16.2
Last 1 Year	12.5	2.3
Last 3 Years	62.0	28.1
Last 5 Years	NA	NA
Since Inception (Feb 11— Feb 15)	77.5	46.5

*Saudi Stock Exchange Index

Fund Information

Launch Date	February 2011
Management Fee	1.5%
Subscription & Redemption	Weekly
Dealing Day	Wednesday
Subscription & Redemption Dead-line	Two Business days before dealing day
Minimum Subscription	USD 100,000
Bloomberg Code	SICOKEF BI Equity
Zawya Code	SICOKEQ.MF
Fund ISIN Code	BH00016X01B0
Custodian / Administrator	HSBC Bahrain

Top Holdings

Name	Sector	(%)
Alinma Bank	Financials	5.3
Al Hammadi Hospitals	Health Care	5.0
Jarir Marketing	Consumer	4.9

Risk Statistics (last 3 years)

Standard Deviation (%)	15.1
Sharpe Ratio	1.0
Tracking Error (%)	3.9
Information Ratio	2.2
Alpha (%)	9.2
Beta	0.9

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بنك استثماري **sico**
Investment Bank

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