

SICO Kingdom Equity Fund

Fact Sheet - November 2015

NAV USD 15.39 ↓ 0.4%

Manager's Commentary

After six months of consecutive declines, the Saudi market finally consolidated during the month of November and posted a positive return of 1.6%. During these past six months, the market lost more than 25% of its value. The market started the month on a negative tone but recovered towards the second half as renewed interest was seen in selective stocks especially in the large caps. Stocks such as SABIC (+9%), Saudi Telecom (+5%), Savola (+6%) and Saudi Arabian Mining (+17%) were some of the notable gainers. Other GCC markets such as Qatar and the UAE which had outperformed Saudi and other GCC markets finally gave in to the negative sentiment and declined substantially. Qatar lost 13% while Dubai declined by 9% this month. MSCI rebalancing that took place at the end of the month also played a part in these declines along with negative sentiment and a lack of investor interest.

The fund posted a return of negative 0.4% compared to a 1.6% rise in the benchmark. It was a challenging month as our holdings either remained flat or posted modest declines. In addition, we did not have exposure to some of the large caps and stocks in the Saudi real estate sector that rose on stock specific interest. On the year to date basis, the fund is down 2.7% compared to a 13.1% decline in the benchmark.

The month of December is critical in determining the future direction of the markets given key international and domestic events. On the domestic front, investors would be keenly eyeing the upcoming Saudi budget announcement to assess the direction of the fiscal policy. On the international front, the impending Fed meeting will keep international investors tentative. Our strategy is to continue to focus on our high conviction investments that we expect would perform well next year.

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.

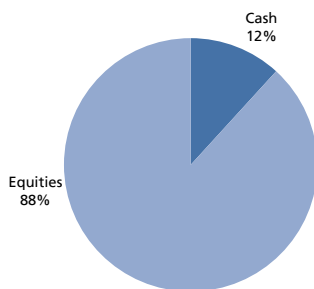
Returns (%)	Fund	Index*
November 2015	-0.4	1.6
2015 (Jan—Nov)	-2.7	-13.1
2014	8.9	-2.4
2013	33.1	25.5
2012	8.7	6.0
Last 3 Months	-2.0	-3.8
Last 6 Months	-18.7	-25.3
Last 1 Year	-4.6	-16.1
Last 3 Years	47.1	10.8
Last 5 Years	NA	NA
Since Inception (Feb 11— Nov 15)	53.9	13.9

*Saudi Stock Exchange Index

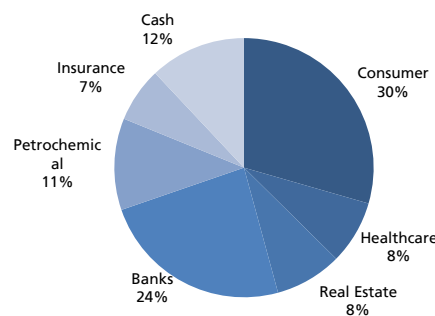
Fund Information

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

Asset Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	17.6	16.0
Price to Book Multiple Latest (x)	3.4	1.7
Return on Equity TTM (%)	19.9	11.0
Dividend Yield—2014 (%)	3.5	3.6
Number of Holdings	28	107
Annualized Return (%) - Last 3 years	12.7	1.6
Annualized Standard Deviation (%) - Last 3 years	16.1	17.2
Largest Monthly Gain (%)	12.1 (Apr 15)	12.0 (Apr 15)
Largest Monthly Loss (%)	-14.9 (Aug 15)	-17.3 (Aug 15)
% Positive Months (%)	61	61
Success Ratio (%)	69	NA
Maximum Drawdown-Peak to Trough (%)	-21.9	-35.9
Length of Drawdown (months)	13	13
Recovery from Maximum Drawdown (%)	0.0	0.0

Top Holdings

Name	Sector	(%)
Herfy Food Services	Consumer	6.5
Mouwasat Medical	Healthcare	4.8
Al Rajhi Bank	Financials	5.0

Risk Statistics (last 3 years)

Standard Deviation (%)	16.3
Sharpe Ratio	0.7
Tracking Error (%)	3.7
Information Ratio	2.8
Alpha (%)	10.3
Beta	0.9

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Investment Bank

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