

# SICO Kingdom Equity Fund

## Fact Sheet - March 2015

NAV USD 17.00 ↓ 4.2%

### Manager's Commentary

After two strong months of positive returns, the Saudi market failed to keep up the momentum and declined by 5.7% in March. The index rose steadily during the first half of the month and was at one point in time up 4%. However, this was shortlived as investors booked profits on worries over the drop in oil prices. The decline accelerated as the geopolitical developments in Yemen worsened, thereby causing panic selling especially from retail investors. Other GCC markets were also affected and the overall GCC index retreated by 6%.

The fund declined by 4.2% in March compared to a 5.7% drop in the benchmark. Given that the fund was relatively defensively positioned, we were able to restrict the overall losses of the fund. Our allocation to the consumer sector (around 30%) provided some cushion against the volatility seen in the overall market. In addition, during the first half of the month we booked profits in certain stocks and hence the cash allocation of around 10% also helped when volatility rose.

The market is expected to closely follow the developments in Yemen. In addition, first quarter earnings are also going to dictate the short term market sentiment. Our strategy is to remain defensively positioned and focus on low beta names where we believe the downside is limited. At the same time, we will look to deploy the current cash allocation (11%) in our high conviction calls given that the overall market has fallen and these companies are beginning to look highly attractive in terms of valuations.

### 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.

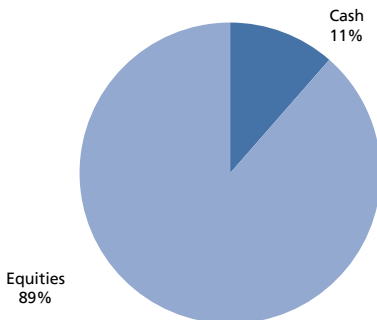
Returns (%)	Fund	Index*
March 2015	-4.2	-5.7
2015 (Jan—Mar)	7.5	5.3
2014	8.9	-2.4
2013	33.1	25.5
2012	8.7	6.0
Last 3 Months	7.5	5.3
Last 6 Months	-13.0	-19.1
Last 1 Year	3.9	-7.3
Last 3 Years	46.4	12.0
Last 5 Years	NA	NA
Since Inception (Feb 11— Mar 15)	70.0	38.1

\*Saudi Stock Exchange Index

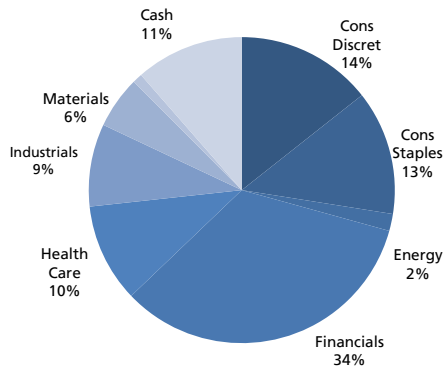
### Fund Information

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)	16.3	16.5
Price to Book Multiple Latest (x)	3.5	2.0
Return on Equity TTM (%)	16.8	12.3
Dividend Yield—2014 (%)	2.2	3.2
Number of Holdings	32	107
Annualized Return (%) - Last 3 years	13.6	3.9
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 (%)	7.5	5.3

### Top Holdings

Name	Sector	(%)
Jarir Marketing	Consumer	5.5
Al Hammadi Hospital	Health Care	5.1
AlMarai	Consumer	4.0

### Risk Statistics (last 3 years)

Standard Deviation (%)	15.1
Sharpe Ratio	0.7
Tracking Error (%)	3.9
Information Ratio	2.5
Alpha (%)	9.8
Beta	0.9

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