

## SICO Kingdom Equity Fund

Fact Sheet - June 2012

NAV USD 10.51 ↓ 2.9%

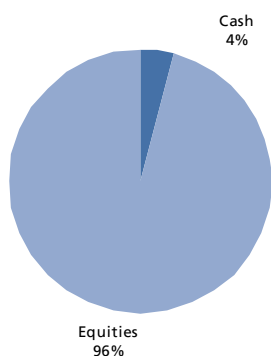
## Manager's Commentary

Global markets rebounded in June on the back of positive developments including the outcome of Greek parliamentary elections. On the contrary, the GCC markets continued on their downtrend for the third consecutive month. Saudi and Qatar were the worst affected markets losing 3.8% and 3.5% respectively. Kuwait, Dubai, Oman and Bahrain decreased approximately 1%. On the other hand, Abu Dhabi ended the month marginally in positive territory (+0.3%). Crude oil prices broadly determined the market sentiment for the Saudi market (-3.8%). At one point, Brent Crude price was down 12%, although it partly recovered towards the end of the month.

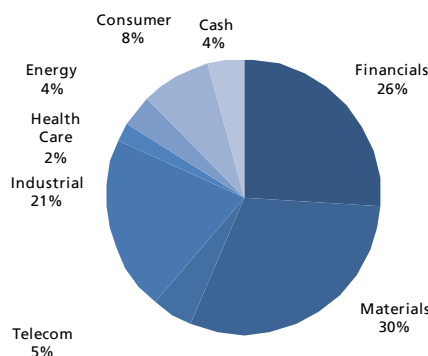
The declines in the Saudi market were driven by petrochemical and telecom companies which fell sharply. In addition, speculative companies which had increased substantially in the first quarter also gave back some gains. The majority of petrochemical companies experienced double digit declines and have lost approximately 18% in the second quarter due to falling oil prices. The second most affected sector was telecoms which lost 6% during the month, led by Zain Saudi which declined 18%. The NAV of your fund decreased by 2.9% compared to a 3.8% decline in the benchmark for month. For the quarter, the fund only declined by 9.5% compared to a 14.4% decline in the benchmark. The outperformance was primarily due to our strategy to defensively position the portfolio and have no exposure to speculative companies. This has helped us contain losses for our investors when the markets fell sharply.

Going forward, we expect relatively subdued activity levels due to the summer season. However, given attractive valuations we expect the market to gain momentum post holiday season. Therefore we remain buyers and are on the lookout for opportunities to deploy our remaining cash in names that are fundamentally attractive.

## Asset Allocation



## Sector Allocation



## Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	11.1	13.5
Price to Book Multiple Latest (x)	2.6	1.8
Return on Equity TTM (%)	19.4	13.7
Dividend Yield—2011 (%)	4.6	4.1
Number of Holdings	27	145
Annualized Return (%)	6.1	7.2
Annualized Standard Deviation (%)	14.0	19.0
Largest Monthly Gain (%)	7.6 (Mar 11)	10.5 (Mar 11)
Largest Monthly Loss (%)	-6.5 (Aug 11)	-7.7 (May 12)
% Positive Months (%)	50	56
Maximum Drawdown-Peak to Trough (%)	10.4	11.2
Length of Drawdown (months)	4	3
Recovery from recent trough (%)	22.6	31.0

## 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	Tadawul
June 2012	-2.9	-3.8
YTD (Jan– Jun)	4.7	4.6
2011 (Feb – Dec)	0.4	0.9
Last 3 Months	-9.5	-14.4
Last 6 Months	4.7	4.6
Last 1 Year	2.7	2.0
Last 3 Years	NA	NA
Last 5 Years	NA	NA
Since Inception (Feb 11— Jun 12)	5.1	5.5

## Fund Information

Launch Date	February 2011
Management Fee	1.5%
Performance Fee	None
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	(%)
SABIC	Materials	7.9
Al Rajhi	Financials	5.4
Eithad Etisalat	Telecom	4.8

## Risk Statistics

Standard Deviation (%)	14.0
Sharpe Ratio	-0.0
Tracking Error (%)	5.0
Information Ratio	-0.1
Alpha (%)	-0.3
Beta	0.7

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