

SICO Kingdom Equity Fund
Fact Sheet - November 2012

NAV USD 10.46 ↓ 3.0%

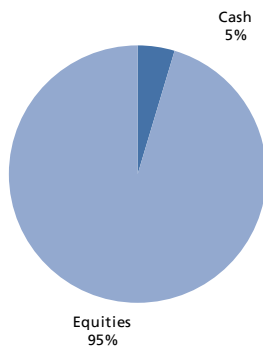
Manager's Commentary

The GCC markets, as measured by S&P GCC Index decreased by 1.7% in November. This negative performance was primarily dictated by the Saudi market, which decreased by 3.8% mainly due to unfounded rumours surrounding the Saudi King's health and a new labour law. Other markets, except Kuwait and Abu Dhabi were down in the range of 1-2% as investor interest remained low. Kuwait was the only GCC bourse to appreciate considerably, with the market cap weighted index rising 4.2%, while Abu Dhabi (+0.1%) was flat.

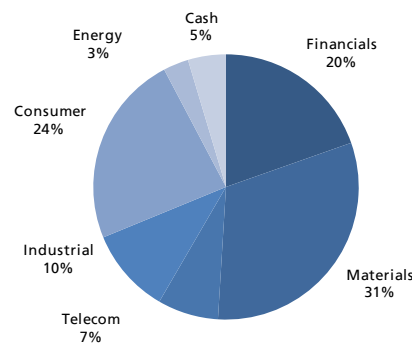
The declines in the Saudi market were relatively broad based. One of the primary reason for declines in certain industrials and contracting companies was the new labour law which stipulates new requirements relating to employment for the foreign workforce. According to news articles, the labour ministry is going to charge private sector firms that employ more foreigners than Saudis - a fee of 2,400 riyals (\$640) a year for each excess foreigner. Consequently, companies such as AlKhadari and Saudi Ceramics declined 12.8% and 11.6% respectively. In addition, the index heavy-weight Al Rajhi bank which declined 8.9% made the greatest impact on the Saudi Index. The stock was under pressure because of the rumours relating to liquidation of shares by family members of of Saleh Al Rajhi.

During the month, the fund declined by 3%, compared to a 3.8% fall in the benchmark. On year to date basis, the portfolio is up 4.2% compared to a 1.8% increase in benchmark. We reduced our exposure in certain industrial and consumer oriented companies during the month to generate cash, which will be invested in few new investment ideas that were discovered during our recent meeting with the Saudi companies earlier this month.

Asset Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	12.3	13.0
Price to Book Multiple Latest (x)	2.8	1.8
Return on Equity TTM (%)	24.4	14.1
Dividend Yield—2011 (%)	4.2	4.2
Number of Holdings	26	145
Annualized Return (%)	1.7	1.5
Annualized Standard Deviation (%)	14.0	17.8
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	55
Maximum Drawdown—Peak to Trough (%)	10.4	11.2
Length of Drawdown (months)	4	3
Recovery from recent trough (%)	2.0	1.9

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
November 2012	-3.0	-3.8
YTD 2012 (Jan– Nov)	4.2	1.8
2011 (Feb – Dec)	0.4	0.9
Last 3 Months	-6.0	-8.5
Last 6 Months	-3.3	-6.3
Last 1 Year	9.5	7.0
Last 3 Years	NA	NA
Last 5 Years	NA	NA
Since Inception (Feb 11— Oct 12)	4.6	2.8

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	(%)
Eithad Etisalat	Telecom	7.4
SABIC	Materials	6.1
Al Rajhi Bank	Financials	5.7

Risk Statistics

Standard Deviation (%)	14.0
Sharpe Ratio	-0.2
Tracking Error (%)	5.0
Information Ratio	0.0
Alpha (%)	-0.0
Beta	0.8

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