

SICO Kingdom Equity Fund
Fact Sheet - October 2012

NAV USD 10.78 ↑ 0.7%

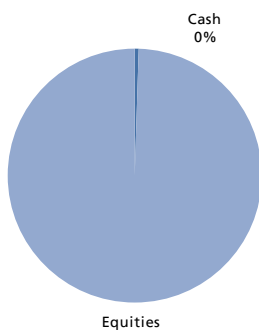
Manager's Commentary

On the global front, a disappointing earnings season for US companies and lack of positive news on the global economy weighed on the investor sentiment. This also impacted the oil (Brent) price which fell by 2.6%. GCC markets posted mixed set of performances in October and the benchmark S&P GCC Index declined by 0.5%, primarily due to drop in Saudi and Kuwaiti markets.

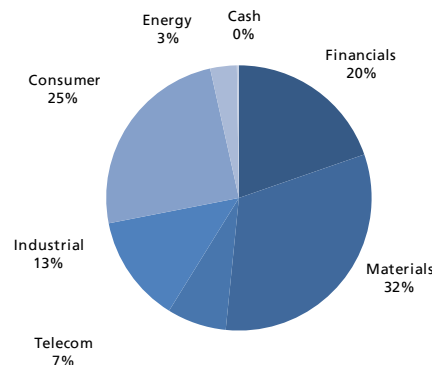
The Saudi market declined by 0.7% primarily on the back of lower than expected earnings for petrochemical companies and banks. During October, most of Saudi companies announced their results. The earnings for petrochemicals sector were below expectations and declined approximately 30% on a yoy basis. This resulted in share price declines across the sector. Amongst the worst affected was National Industrialization Company (Tasnee) which decreased by 10.8%, due to lower earnings for the quarter. Furthermore, the deteriorating outlook for Titanium Dioxide also affected the stock price. The second most affected stock was Advanced Petrochemical Company (APC) which declined by 9.8% on the back of YoY decline in earnings and possible dividend cut.

Despite the declines in Saudi market, your fund ended the month on a positive note. As you would note, over the past six months, the fund has performed considerably well compared to the benchmark, mainly due to superior stock selection. During the month, we rebalanced the portfolio, reducing exposure in certain petrochemicals and banks, while increasing our exposure to attractive opportunities in defensive and high dividend yielding securities. Moving forward, we intend to take advantage of market increase and book profits in stocks which have reached their fair values.

Asset Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	11.8	13.3
Price to Book Multiple Latest (x)	2.9	1.9
Return on Equity TTM (%)	20.9	14.1
Dividend Yield—2011 (%)	4.1	4.1
Number of Holdings	26	145
Annualized Return (%)	4.4	4.0
Annualized Standard Deviation (%)	13.9	17.9
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
October 2012	0.7	-0.7
YTD (Jan– Oct)	7.4	5.8
2011 (Feb – Dec)	0.4	0.9
Last 3 Months	-0.3	-1.3
Last 6 Months	-5.4	-10.2
Last 1 Year	10.2	9.1
Last 3 Years	NA	NA
Last 5 Years	NA	NA
Since Inception (Feb 11— Oct 12)	7.8	6.8

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	7.3
SABIC	Materials	6.9
Al Rajhi Bank	Financials	6.1

Risk Statistics

Standard Deviation (%)	13.9
Sharpe Ratio	0.0
Tracking Error (%)	5.0
Information Ratio	0.1
Alpha (%)	0.4
Beta	0.8

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