

SICO Kingdom Equity Fund
Fact Sheet - September 2012

NAV USD 10.71 ↓ -3.9%

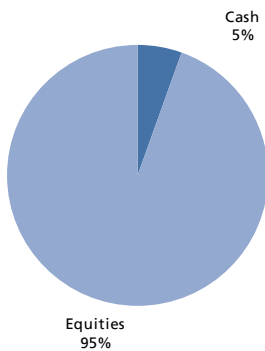
Manager's Commentary

Global markets rose during the first half of September, in anticipation of positive developments relating to the 3rd round of quantitative easing in US. However, the gains eroded as global economic concerns came to the fore. This impacted oil prices which retreated by as much as 5%, dictating the declines in the Saudi market. The rest of the GCC bourses ended the month on a positive note. The star performer was Kuwait (+4.4%) which increased in expectations of a launch of an investment fund by the government. Buying interest in real estate stocks provided an impetus to Dubai (+2.0%) and Abu Dhabi (+1.7%) markets. Other posted returns between 0 and 1%.

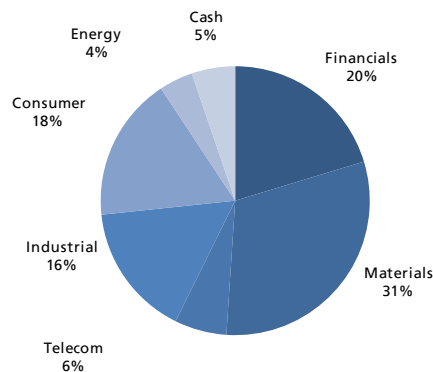
The Saudi market declined by 4.2% during the month. The worst affected stocks included industrials and financials which together accounted for approximately over two third of the declines. The fund's NAV on the other hand decreased by 3.9%. Please note that during the past six months the fund has considerably outperformed its benchmark. While the Saudi market is down by 12.7%, the fund has only fallen 7.8%. This outperformance is attributable to our superior stock selection.

During the month, we took benefit of the decline in market and started to redeploy the cash generated during the last two months primarily into companies that benefit from consumer spending. We believe that despite the uncertainty surrounding the global macroeconomic environment, fundamentals of a number of stocks in our universe remain strong. While we expect volatility to continue, moving forward, we look forward to investing in attractive opportunities in defensive and high dividend yielding securities.

Asset Allocation



Sector Allocation



Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	11.9	13.5
Price to Book Multiple Latest (x)	2.9	1.9
Return on Equity TTM (%)	21.4	14.0
Dividend Yield—2011 (%)	4.5	4.1
Number of Holdings	30	145
Annualized Return (%)	4.2	4.5
Annualized Standard Deviation (%)	13.8	18.0
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	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
September 2012	-3.9	-4.2
YTD (Jan– Sep)	6.6	6.6
2011 (Feb – Dec)	0.4	0.9
Last 3 Months	1.9	1.9
Last 6 Months	-7.8	-12.7
Last 1 Year	11.1	11.9
Last 3 Years	NA	NA
Last 5 Years	NA	NA
Since Inception (Feb 11— Sep12)	7.1	7.6

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	6.2
SABIC	Materials	6.0
Al Rajhi Bank	Financials	6.0

Risk Statistics

Standard Deviation (%)	13.9
Sharpe Ratio	0.0
Tracking Error (%)	5.0
Information Ratio	-0.1
Alpha (%)	-0.2
Beta	0.8

For further information contact assetmanagement@sicobahrain.com