

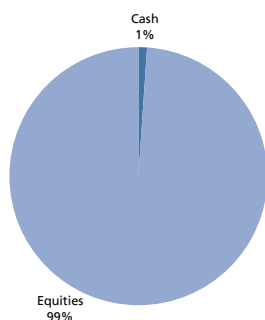
### Manager's Commentary

Saudi Arabia posted a marginal increase of 0.3% during September. Although it started on a positive note, volatility heightened during the second half of the month. This was primarily due to uncertainty whether FTSE would upgrade its status. In the official notification at the end of the month, FTSE decided to keep the market status quo until its next review in March 2018. The announcement to allow VOIP calls within Saudi Arabia took a toll on telecom companies with STC declining close to 7%, while the market welcomed the Government's decision to allow women to drive from June 2018.

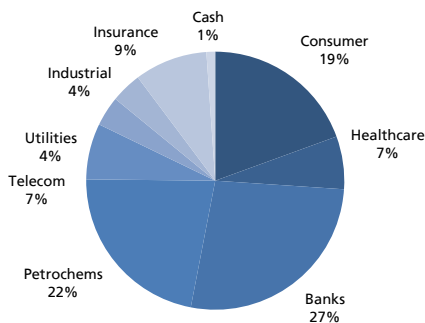
In such a backdrop, the fund appreciated by 0.3% and performed in line with the market. Positive contributions primarily came from our holdings within the small to mid cap petrochemical sector that rose on the back of expectations of strong third quarter earnings. On a year to date basis, the fund is up over 6% and has outperformed its benchmark.

In our opinion, the decision to allow women to drive is a structural move that will have a meaningful impact in the long term. Whilst motor insurance companies would be the main beneficiaries, selected consumer companies would also gain indirectly. Keeping this in mind, we built exposure to companies that in our opinion would benefit the most. Our other core conviction ideas and themes remain the same.

### Asset Allocation



### Sector Allocation



### Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	16.9	16.9
Price to Book Multiple Latest (x)	1.9	1.6
Return on Equity TTM (%)	11.9	9.7
Dividend Yield—2016 (%)	2.9	3.4
Number of Holdings	29	107
Annualized Return (%) - Last 5 years	8.5	4.0
Annualized Standard Deviation (%) - Last 5 years	17.4	20.6
Largest Monthly Gain (%) - Last 5 years	12.1 (Apr 15)	13.8 (Apr 15)
Largest Monthly Loss (%) - Last 5 years	-14.9 (Aug 15)	-17.2 (Aug 15)
% Positive Months (%)	58	58
Success Ratio (%) - Last 5 years	60	NA
Latest Drawdown-Peak to Trough (%)	-35.4	-46.2
Duration of Drawdown (months)	25mths (Aug 14 to Sep 16)	25mths (Aug 14 to Sep 16)
Recovery from Latest Drawdown (%)	26.2	33.4

### 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*
Sep 2017	0.3	0.3
YTD (Sep 2017)	6.3	3.9
2016	1.6	9.0
2015	-5.5	-14.3
2014	8.9	-2.1
2013	33.1	29.3
Last 3 Months	-1.2	-1.5
Last 6 Months	5.7	6.3
Last 1 Year	26.2	33.4
Last 3 Years	-17.4	-26.6
Last 5 Years	50.7	21.9
Since Inception (Feb 11— Sep 17)	61.3	39.2

\*S&P Saudi Total Return 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

### Top Holdings

Name	Sector	(%)
Al Rajhi Bank	Banks	7.1
Saudi Basic Industries	Petrochem	6.1
National Commercial Bank	Banks	5.9

### Risk Statistics (last 5 years)

Standard Deviation (%)	17.4
Sharpe Ratio	0.3
Tracking Error (%)	5.6
Information Ratio	0.8
Alpha (%)	4.7
Beta	0.8

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