

Fund Information

Asset Type	Equity
Geographic Focus	Saudi Arabia
Fund Manager	Global Investment House
Benchmark	Tadawul All Share Index – TASI
Fund Listing	Saudi Arabia
Launch Date	January 2009
Structure	Open-Ended
NAV	SAR 230.18
Current Fund Size	SAR 512.9 mn
Base Currency	Saudi Riyal
Initial Investment	10,000
Subsequent Investment	Minimum of 5,000
Subscription & Redemption	Sunday & Tuesday of every week
Initial Charge	2%
Management Fee	1.75% per annum
Custodian Fee	0.15 %
Custodian	HSBC Saudi Arabia
Redemption Fee	1% if exit before one month
Auditors	KPMG Al Fozan & Partners
Bloomberg Code	GLOBEQC AB
RIC Code	LP65135767

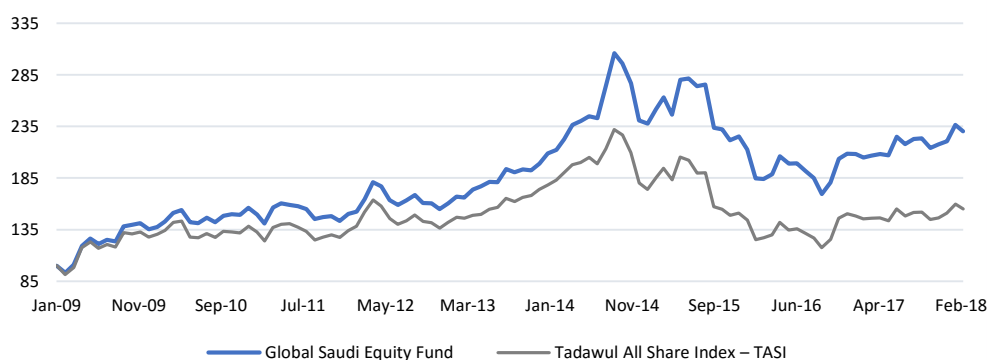
MENA Asset Management

Global Saudi Equity Fund

Fund Objective & Strategy

Achieving long-term capital growth with predefined and controlled levels of risk, by investing in stocks listed on the Saudi stock exchange. In addition, the fund will aim to achieve returns that exceed the average by benefiting from the expected economic growth in Saudi Arabia while maintaining a suitable level of diversification for fund assets and reduction of total risk by investing in different market sectors. The fund manager selects companies selling at a discount to intrinsic value. We identify intrinsic value through rigorous fundamental analysis and research conducted by an experienced investment team. Research is done on a company-by-company basis to determine the economic worth of companies based on projected future earnings and cash flows taking into consideration economy and market activity.

USD 100 Invested Since Inception



Cumulative Returns (%)

	1 M	3 M	1 Y	YTD	*SI
Fund	-2.6	5.8	12.3	4.3	130.2
Benchmark	-3.0	5.9	6.4	2.7	54.9
Difference	0.4	-0.1	5.9	1.6	75.3

*Since Inception (January 2009)

Yearly Performance Ending 31st December (%)

	2012	2013	2014	2015	2016	2017
Fund	7.0	30.1	13.8	-10.6	-1.8	5.8
Benchmark	6.0	25.5	-2.4	-17.1	4.3	0.2
Difference	1.0	4.6	16.2	6.5	-6.1	5.6

Risk Metrics

5 years to February 2018	
Tracking Error	5.16%
Beta	0.95
Information Ratio	1.08
Sharpe Ratio	0.20
Standard Deviation	20.2%

Global Saudi Equity Fund

Fund Review

Global Saudi Equity Fund was down 2.6% M/M in February 2018, outperforming the benchmark which was down 3.0% M/M during the same period.

Positive Contributors:

Our OW positions in AlRajhi Takaful and Othaim Markets coupled with UW positions in Jabal Omar and BUPA contributed positively towards the fund's relative performance during the month.

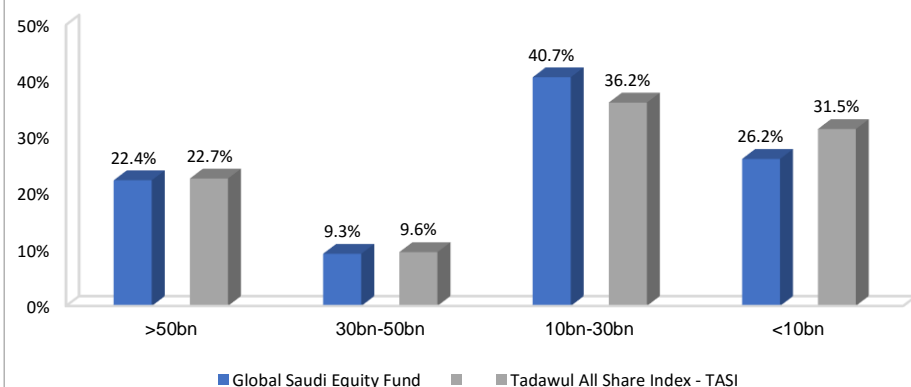
Negative Contributors:

Our OW positions in Bank AlJazira and Emaar EC coupled with UW positions in Tasnee and Saudi Cement contributed negatively towards the fund's relative performance during the month.

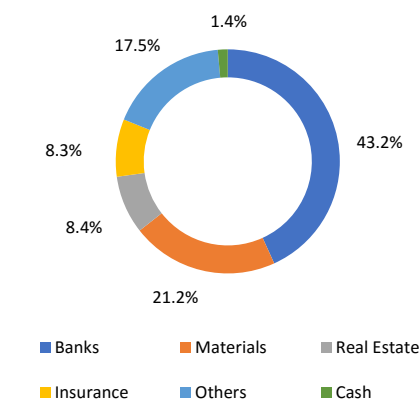
Top Five Holdings

Stock	Sector	Fund (%)
Al Rajhi Bank	Banks	13.4
SABIC	Materials	8.99
NCB	Banks	6.88
Dar Al Arkan	Real Estate	4.29
Alinma	Banks	4.26

Market Cap Weightings



Sector Breakdown



Market Commentary

The month of February witnessed a major trend reversal in global markets. In the US, Dow dropped more than 10% during the month before closing - 4.42% as investors got anxious about rising US inflation and consequently, the prospects of faster than expected interest rate hikes. Markets across the globe exhibited a similar trend with MSCI EM falling 4.8% in February. Albeit, this upheaval arrested the USD slide and the currency stabilized during the month. On the commodities front, oil eased by 4.8% - syncing its moves with global equity markets as there were no major changes in demand supply dynamics during the month.

Tadawul was impacted by the global cues and ended down 3.0% during the month. Positive news flow from the Kingdom regarding the conclusion of the anti-corruption probe has removed the one of the major overhangs. Following the transition to IFRS accounting and extension of the deadline to announce annual financial statements, earnings season continue to be underway.

Moving forward, Saudi equity outlook for 2018 gives us comfort as the biggest revenue generator – crude oil – has found its base which has led to more accommodative fiscal policies. With this backdrop, the additional inflows from potential inclusion of

Saudi in major passive trackers, we are generally optimistic on the market for 2018 with outlook ranging from slightly neutral to moderately bullish across the board.

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