



GCC Market I Equity Global EPADI Fund

Factsheet I May 2020

Fund Information

Benchmark

S&P GCC Energy Capped Index

Domicile

Bahrain

Launch Date

March 2006

Structure

Open-Ended

NAV

USD 83.48

Current Fund Size

USD 10.54mn

Base Currency

US DOLLAR (USD)

Initial Investment

USD 10,000

Subsequent Investment

5,000

NAV Frequency

Weekly

Initial Charge

2%

Fees

Management 1.75% p.a.

Custodian 0.125% p.a.

Performance 20% over 10% p.a.

Redemption None

Custodian & Controller

HSBC Bank Middle East Limited / Bahrain

Auditors

KPMG Fakhro / Bahrain

Bloomberg Code

GEPADIN

ISIN Code

BH000A0QY1S6

Fund Manager

Kamco Investment Company

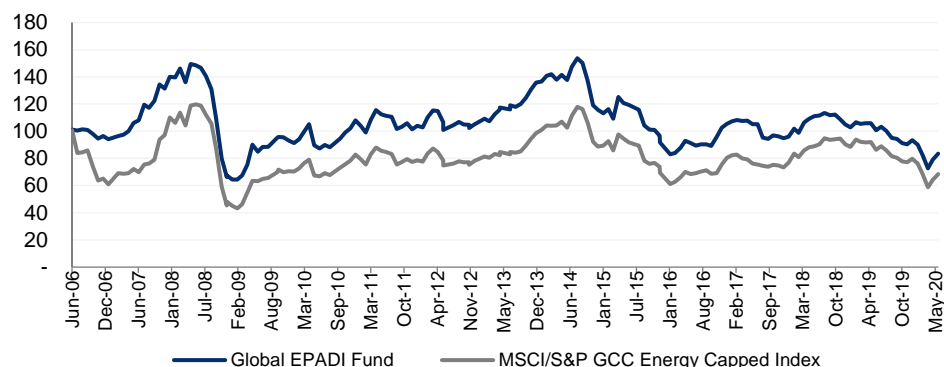
Mahmood Tifouni
Director

Eisa Al Hasawi
Vice President

Fund Objective & Strategy

The fund seeks to achieve long-term capital appreciation by investing in companies principally engaged in energy, petrochemicals, and downstream industries listed on the Arabian stock exchanges. The investment process is based on a bottom-up stock selection methodology along with a macroeconomic overlay to identify growth opportunities throughout the MENA region

USD100 Invested Since Inception



Cumulative Returns

	1 M	3 M	6M	YTD	1 Y	3Y	5Y	*SI
Fund	5.7%	1.1%	-7.7%	-10.7%	-17.0%	-20.6%	-30.8%	-16.5%
Benchmark	6.5%	-0.2%	-11.2%	-14.2%	-20.6%	-10.1%	-27.6%	-31.5%
Difference	-0.9%	1.3%	3.5%	3.6%	3.6%	-10.5%	-3.2%	15.0%

Yearly Performance Ending 31st December

	2014	2015	2016	2017	2018	2019
Fund	-14.8%	-20.7%	14.9%	-8.9%	7.1%	-9.1%
Benchmark	-10.1%	-21.8%	16.0%	-4.4%	15.2%	-9.8%
Difference	-4.7%	1.1%	-1.1%	-4.5%	-8.1%	0.7%

Statistics over 5 years

Tracking Error	Beta	Information Ratio	Sharpe Ratio	Standard Deviation
7.1%	0.79	-0.09	nm	14.9%

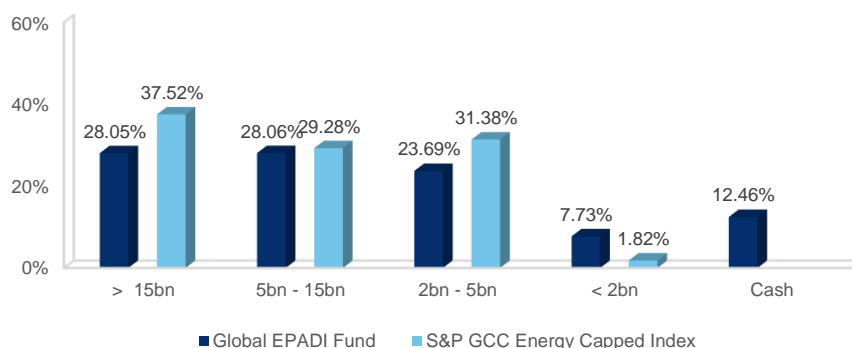
GCC Market I Equity

Global EPADI Fund

Top Five Fund Holdings

Stock	Country
SABIC	Saudi Arabia
IQCD	Qatar
SAFCO	Saudi Arabia
Yansab	Saudi Arabia
QEWS	Qatar

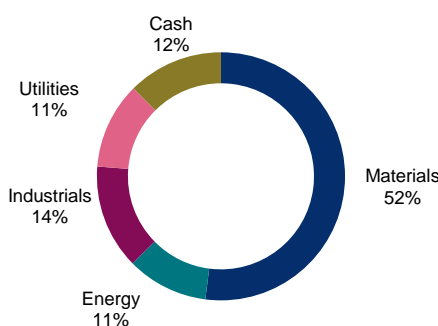
Market Cap Weightings



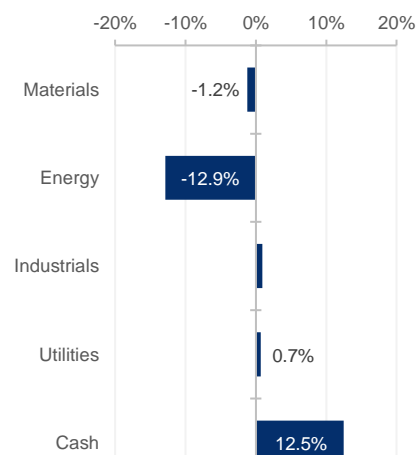
Country Weights

Country	Fund	Benchmark
Saudi	58.6%	62.4%
UAE	-	-
Kuwait	3.8%	-
Qatar	25.2%	37.6%
Oman	-	-
Cash	12.5%	-

Sector Breakdown



Sector Allocation vs. Benchmark



Market Commentary

The US markets continued to perform well in May trumping the adverse economic data and US-China cold war rhetoric. The S&P500 ended up 4.8%, capping the y-t-d losses at just under 5%. Globally, the MSCI EM index gained 0.6% whereas MSCI EAFE gained 4% implying the recovery remained geared towards advanced economies. On the commodities front, Brent oil gained 68% in May. The crude price rally is underpinned by the expectations of OPEC+ agreeing to extend the 9.7mn bpd product cut deal further until August.

Moving to the GCC, the positive momentum continued outmaneuvering the adverse newflows related to projected GDP and population data in the region with MSCI GCC Index gaining 1.75% following the large gains

(+8%) last month. The majority of GCC gains can be explained by Saudi as the benchmark Tadawul surged 1.4% during the month helped by a rebound by crude oil. While defensive sectors like consumers and telecoms propelled the index, newly announced reform measures including a suspension of cost of living allowance, tripling the VAT to 15% and increase in customs duties are likely to impact the consumer demand. In addition, the Saudi foreign reserves fell by USD45bn in last two month (March- April) albeit it was driven by USD40bn transfer to the PIF for the overseas investment purposes. Kuwait gained 1.3% in May, as the country moved toward phased resumption of economic activity. In the UAE, both Dubai and Abu Dhabi lost 4% and 2.1% following the steep rise in April- as banks and

real estate sectors retreated. Finally, Qatar gained 0.9% during the month- in sync with the GCC Index.

Global and local markets continue to face the unprecedented challenges. Given the outbreak of COVID-19 and its adverse impact on commodities, interest rates and overall economic growth, we expect the GCC markets to remain volatile and in negative territory in 2020. Looking beyond the pandemic, the downside risks to the regional economies can be much bigger than expected due to the magnified impact on hydrocarbon sector (lower prices and production) and potential slowdown in non-oil sector including travel & tourism, retail, real estate etc. which can lead to spending disruptions and higher deficits than budgeted.

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