



GCC Market I Equity Global GCC Islamic Fund

Factsheet I May 2020

Fund Information

Benchmark

S&P GCC Islamic Index

Domicile

Bahrain

Launch Date

July 2007

Structure

Open-Ended

NAV

USD 101.030

Current Fund Size

USD 9.921 m

Base Currency

US DOLLAR (USD)

Initial Investment

USD 10,000

Subsequent Investment

USD 5,000

NAV Frequency

Weekly

Initial Charge

2%

Fees

Management	1.75% p.a.
Custodian	0.22% p.a.
Performance	20% over 10% p.a.
Redemption	0.25% p.a.

Custodian

HSBC Bank Middle East Limited / Bahrain

Auditors

KPMG Fakhro / Bahrain

Bloomberg Code

GCCISLM

ISIN Code

BH000A0QY1N7

Fund Manager

Kamco Investment Company

Bader Ghanim Al Ghanim

Executive Director

balganim@kamcoinvest.com

Omer Jawaid

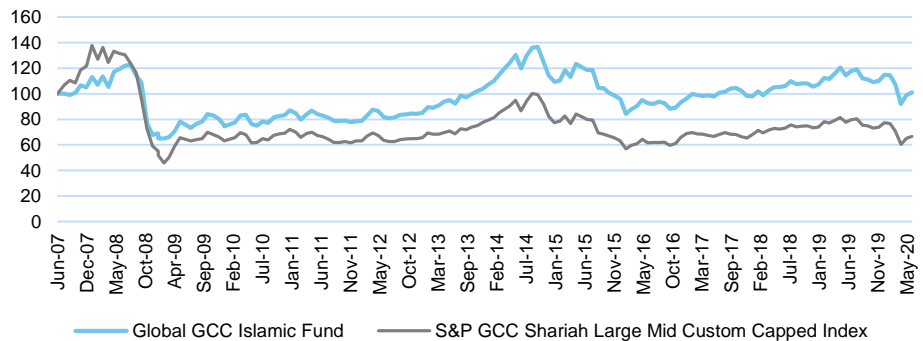
Senior Vice President

mjawaid@kamcoinvest.com

Fund Objective & Strategy

The fund aims to maximize returns through investing in a portfolio of Shari'ah compliant companies as per the predefined Shari'ah criteria set forth in the GCC markets. Asset allocation takes into consideration the market cap weightings of Shari'ah compliant companies in each country while anticipating changing market conditions.

USD100 Invested Since Inception



*Note: We have changed the benchmark to S&P GCC Islamic Index on Sept 30, 2010

Cumulative Returns

	1 M	3 M	6M	YTD	1 Y	3Y	5Y	*SI
Fund	2.2%	-5.7%	-8.2%	-12.0%	-11.6%	3.5%	-16.4%	1.0%
Benchmark	2.1%	-6.2%	-9.8%	-14.0%	-14.3%	0.0%	-19.0%	-33.5%
Difference	0.1%	0.5%	1.6%	2.0%	2.6%	3.5%	2.5%	34.5%

*Since Inception (July 2007)

Yearly Performance Ending 31st December

	2014	2015	2016	2017	2018	2019
Fund	1.9%	-12.3%	0.4%	1.9%	9.3%	7.1%
Benchmark	-2.4%	-18.4%	8.8%	-1.1%	8.7%	4.6%
Difference	4.3%	6.1%	-8.3%	3.0%	0.6%	2.5%

Statistics over 5 years

Tracking Error	Beta	Information Ratio	Sharpe Ratio	Standard Deviation
4.6%	0.90	0.13	N/A	14.28%

Fund Review

The Global GCC Islamic Fund increased by 2.2% M/M in May, almost inline with the benchmark which was up 2.1% M/M.

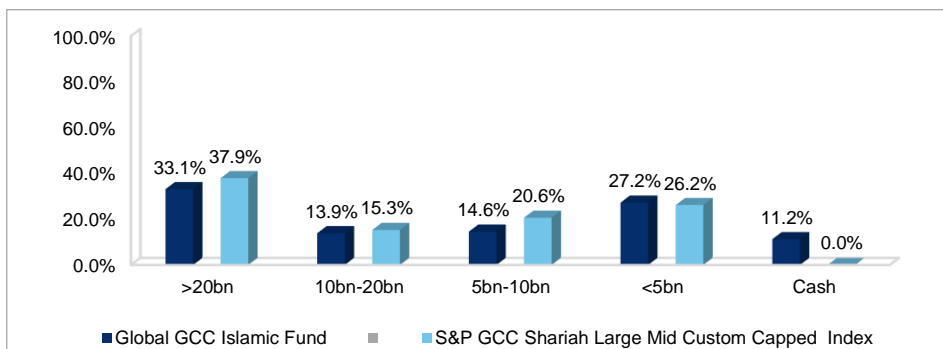
Positive Contributors:

Our OW position in KFH, which was up 3.4% M/M, contributed positively to the fund relative performance.

Negative Contributors:

Our UW position in MPHIC, which was up 11.7% M/M, contributed negatively towards the fund relative performance.

Market Cap Weightings



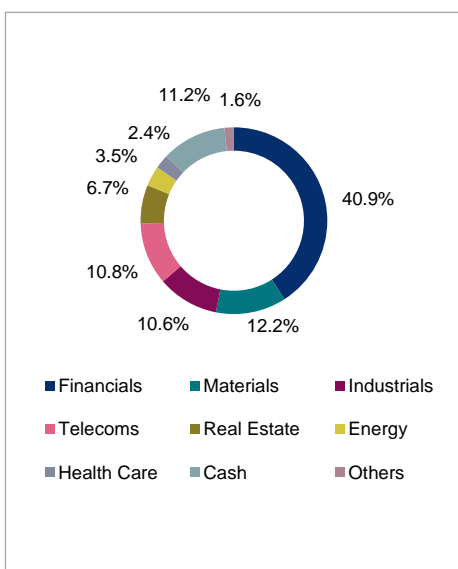
Top Five Fund Holdings

Stock	Country
RAJHI	Saudi Arabia
KFH	Kuwait
SABIC	Saudi Arabia
STC	Saudi Arabia
ETISALAT	UAE

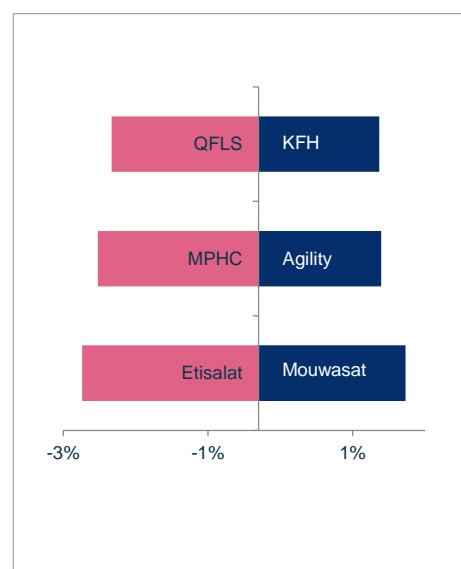
Country Weights

Country	Benchmark	Fund
Saudi	51.4%	46.3%
UAE	14.5%	13.2%
Kuwait	12.2%	16.8%
Qatar	21.4%	12.5%
Oman	0.6%	0.0%
Bahrain	0.0%	0.0%
Cash	NA	11.2%

Sector Breakdown



Top Three Overweight / Underweight versus 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 new flows 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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