

Kuwait Market I Equity KAMCO Islamic Fund

Factsheet | January 2023

Fund Information

Benchmark

S&P KIA Kuwait Islamic Liquid Capped Index

Domicile

Kuwait

Launch Date

March 2004

Structure

Open-Ended

NAV

KWD 1.988

Current Fund Size

KWD 43.95 m

Base Currency

Kuwaiti Dinar (KWD)

Initial Investment

KD 100

NAV Frequency

Weekly

Initial Charge

None

Fees

Management 1.0% p.a.

Custodian & Controller 0.125% p.a.

Redemption None

Performance Fees

15% of Alpha capped at 1.5% of NAV

Auditors

Deloitte & Touche, Al Wazzan & Co.

Bloomberg Code

GLISLAM

Fund Objective & Strategy

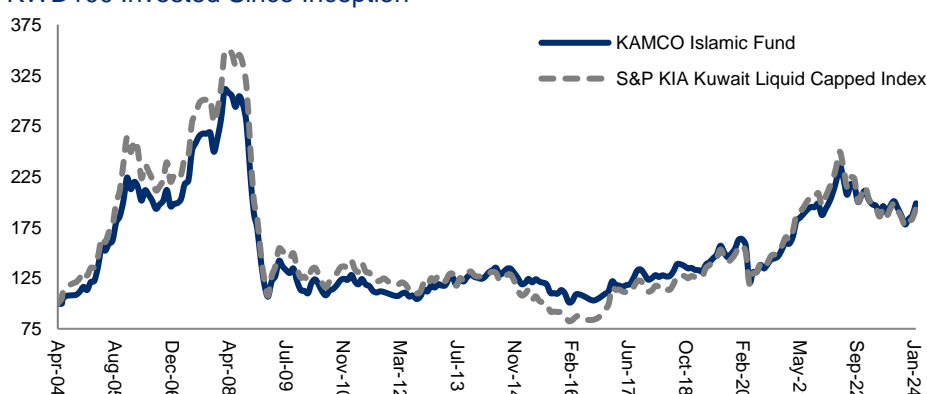
The fund seeks to achieve long-term capital appreciation by investing in a diversified portfolio of Shariah compliant stocks listed Boursa Kuwait.

The investment process is based on a

bottom-up stock selection methodology along with a macroeconomic overlay to identify growth opportunities in Kuwait.

The fund invests in multiple sectors and growth/value categories.

KWD100 Invested Since Inception



Cumulative Returns (%)

	1 M	3 M	6M	YTD	1 Y	3Y	5Y	*SI
Fund	6.4%	11.8%	-1.0%	6.4%	0.6%	23.7%	49.7%	98.8%
Benchmark	5.6%	10.1%	-2.4%	5.6%	-1.6%	17.3%	53.1%	93.9%
Difference	0.7%	1.7%	1.4%	0.7%	2.2%	6.4%	-3.4%	4.9%

Yearly Performance Ending 31st December (%)

	2018	2019	2020	2021	2022	2023
Fund	6.5%	22.4%	-5.7%	25.7%	4.6%	-7.4%
Benchmark	11.5%	23.1%	1.4%	30.4%	-1.0%	-9.5%

Fund Manager

Kamco Investment Company

Statistics over 5 years

Tracking Error	Beta	Information Ratio	Sharpe Ratio	Standard Deviation
2.75%	0.96	(0.25)	0.34	17.11%

Kuwait Market | Equity

KAMCO Islamic Fund

Top Five Fund Holdings

KUWAIT FINANCE HOUSE

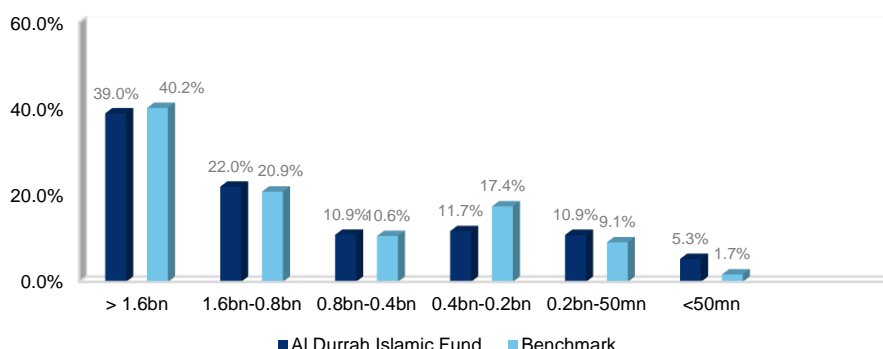
AGILITY PUBLIC WAREHOUSING
COMPANY

MOBILE TELECOMMUNICATIONS
COMPANY K.S.C. (ZAIN)

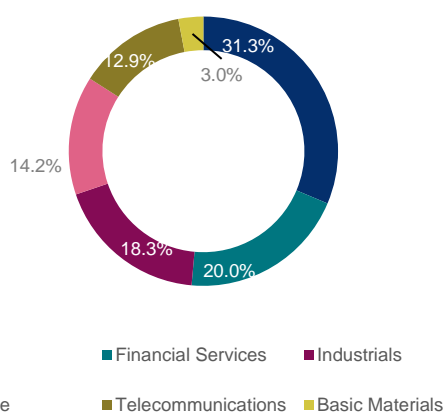
NATIONAL INDUSTRIES GROUP
(HOLDING)

MABANEE COMPANY

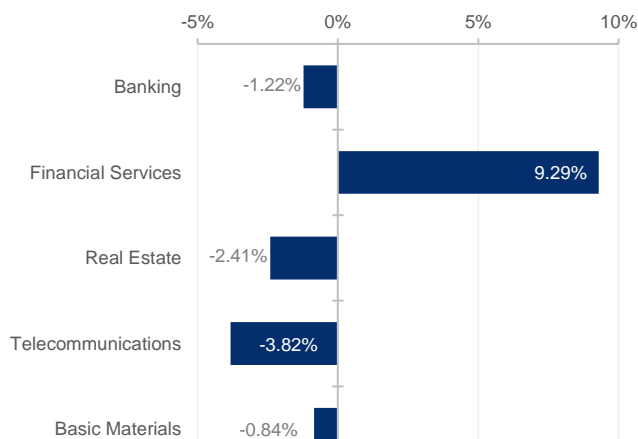
Market Cap Weightings



Sector Breakdown



Sector Allocation vs. Benchmark



Market Commentary

In January, US markets continued their positive momentum as both the S&P 500 and Dow gained 1.6% and 1.2%, respectively. The impetus for these gains stemmed from robust economic data releases. Mixed trends characterized the global markets, with the MSCI EM Index experiencing a decline of 4.7%, while the MSCI EAFE Index managed a modest gain of 0.5% during the same period. China's performance (MSCI China - 10.6%) and the appreciation of the US dollar (DXY index +1.9%) influenced the EM returns. Shifting focus to commodities, Brent crude oil surged by 6% over the month despite a stronger dollar. This increase was driven by multiple factors, including the Red Sea crisis, growing demand, and concerns about long-term supply growth. These concerns were fueled by Saudi Aramco's announcement to maintain its Maximum Sustainable Capacity at 12 mn bpd and not

proceed with plans to increase its MSC to 13mn bpd.

The MSCI GCC Index eased by -0.86% in January with the underlying GCC market performance remaining mixed. In January 2024, Kuwait was the best-performing market in the GCC, achieving a gain of 6.6% – its highest monthly gain in nearly five years. This growth was broad-based and positively impacted all market segments. Other markets also experienced notable gains, with Bahrain and Dubai seeing monthly increases of 4.9% and 2.7% respectively. On the flip side, Qatar witnessed a significant decline of 6.8%, with almost all sectors experiencing negative performance. Both Saudi Arabia and Abu Dhabi returned negatively with -1.4% and -0.7% respectively as returns were driven by both rising regional geopolitical issues and the announcement of an oil output cap by

Aramco.

For the year 2024, GCC markets are expected to remain volatile as the positive bottom-up regional outlook has clashed with global market volatility. As a result, our strategy for generating alpha will continue to be driven by selectively and opportunistically positioning the markets for the remainder of the year. On the positive side, the regional top-down view remains supportive due to stable oil prices, which support fiscal space, continued economic growth, and a USD-pegged regime. Additionally, following the recent underperformance, regional valuations remain reasonable relative to EM (a P/E of 15x versus 14x for EM), thus providing overall upside. However, global cues driven by inflation and geopolitics could adversely impact market returns.

Disclaimer

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