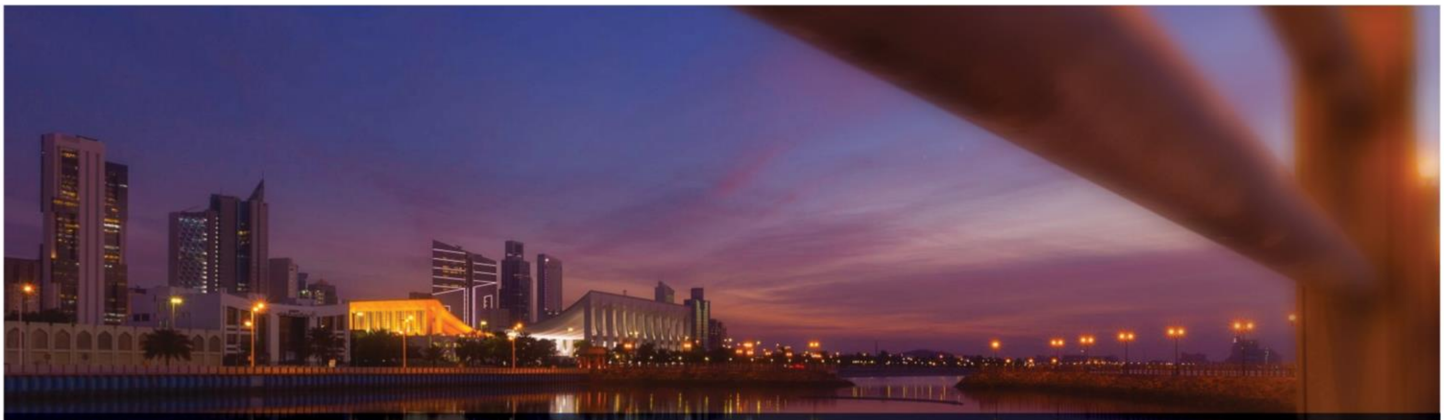
KAMCO INVEST

kamcoinvest.com



Kuwait Market I Equity

Kamco Investment Fund

Factsheet I May 2020

Fund Information

Benchmark
S&P Kuwait Domestic Liquid Capped Select Index TR

Domicile
Kuwait

Launch Date
April 2004

Structure
Open-Ended

NAV
KWD1.253

Current Fund Size
KWD 33.576mn

Base Currency
Kuwaiti Dinar (KWD)

Initial Investment
1,000 units

NAV Frequency
Weekly

Initial Charge
2%

Fees

Management	1.75% p.a.
Custodian	0.05% p.a.
Performance	None
Redemption	None

Custodian
Kuwait Clearing Co. K.S.C.

Auditors
BDO Al Nisf & Partners

Bloomberg Code
KAMINVS KK Equity

Fund Manager
Kamco Investment Company

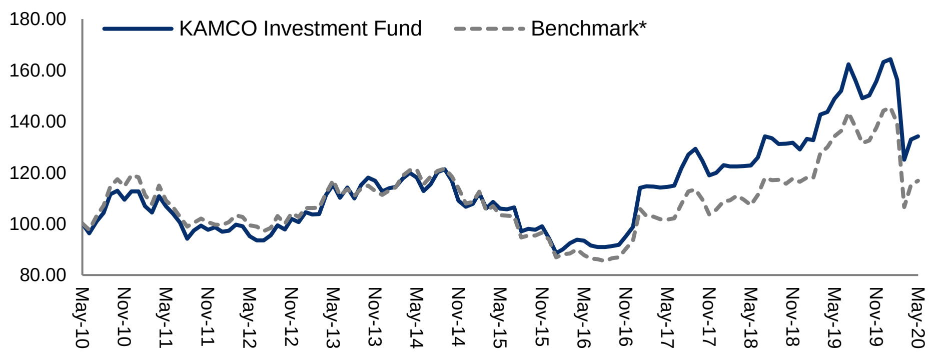
Salah Al Wuhaib
Senior Executive Director

Mahmood Tifouni
Director

Fund Objective & Strategy

To provide investors with attractive returns both in the form of capital gains and income by investing selectively in companies listed on Boursa Kuwait, Treasury Bills and Initial Public Offerings (IPOs).

USD100 Invested Trailing 10 Years



Benchmark: Kuwait Weighted Index through December-2016; S&P Kuwait Domestic Liquid Capped Select Index (TR) thereafter.

Cumulative Returns

	1 M	3 M	6M	YTD	1 Y	3Y	5Y	S.I.
Fund	0.9%	-14.2%	-13.8%	-17.8%	-9.8%	17.2%	26.7%	25.3%
Benchmark	1.4%	-16.1%	-15.1%	-19.0%	-12.9%	14.9%	12.9%	60.7%
Difference	-0.5%	1.9%	1.3%	1.2%	3.1%	2.3%	13.8%	-35.4%

Yearly Performance Ending 31st December

	2014	2015	2016	2017	2018	2019
Fund	-5.32%	-11.58%	4.75%	21.41%	7.64%	26.38%
Benchmark	-3.09%	-13.03%	-0.42%	12.93%	10.38%	23.80%

Statistics over 5 years

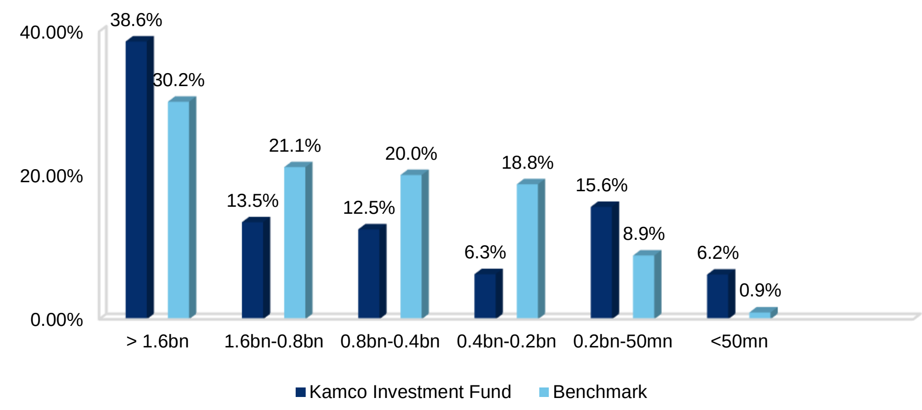
Tracking Error	Beta	Information Ratio	Sharpe Ratio	Standard Deviation
3.96%	0.93	0.66	0.01	15.71%

Kamco Investment Fund

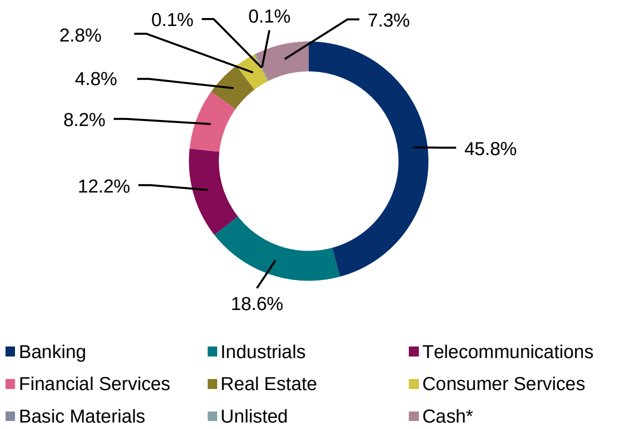
Top Five Fund Holdings

- Zain
- Kuwait Finance House
- National Bank of Kuwait
- Agility
- Gulf Bank

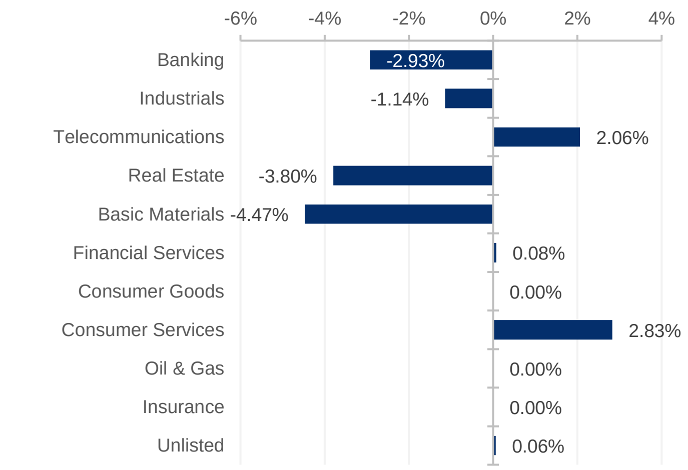
Market Cap Weightings



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.