

# SICO Gulf Equity Fund

Fact Sheet - February 28, 2007

NAV US\$95.38 ↑ 2.1%

## Manager's Commentary

With the exception of Saudi Arabia, the rest of the GCC markets remained rangebound during the month. Saudi Arabia rebounded strongly (+16.1%) after recording four consecutive months of negative returns.

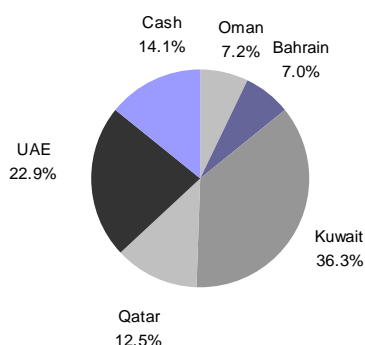
The NAV of SICO Gulf Equity Fund increased by 2.1% for the month owing to its high exposure to blue chip companies in Kuwait, Qatar and the UAE. Specifically, the fund benefited from the rise in Aldar Properties (+20.2%), MTC (+20.1%), Industries Qatar (+14.3%) and Burgan Bank (+6.9%). During the month, we continued trimming our exposure to some of our Omani holdings which reported below expected full year numbers and at the same time increased exposure in Industries Qatar (IQ). IQ is one of the leading petrochemical companies in the region and is expected to benefit from the completion of various expansion projects over the next couple of years.

The fund has a 14.1% allocation to cash which we will deploy as and when opportunities arise. We will take advantage of corrections in the regional markets by investing in blue chip companies that trade below their fair values. At the same time, we will also continue to exit positions in stocks that touch their intrinsic or fair values.

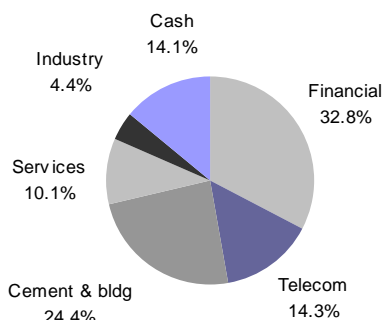
## Fund Statistics

Price Earnings Multiple 2006 (x)	11.4
Dividend Yield 2005 (%)	3.7
Number of Holdings	29
Annualized Return (%)	-4.6
Largest Monthly Gain (%)	5.7% (Aug 06)
Largest Monthly Loss (%)	-9.2% (Nov 06)
% of Positive Months	50.0%
Annualized Standard Deviation (%)	15.9
Sharpe Ratio	n/a
Maximum Drawdown (%)	-9.2

## Country Allocation



## Sector Allocation



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## Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing principally in equity securities listed on the stock markets of the GCC Countries excluding Saudi Arabia.

## Fund Returns (%)

	Fund	MSCI Ex Saudi Index
February 2007	2.1	3.2
Year to Date 2007	2.7	2.0
Last 3 months	6.4	7.1
Last 6 months	4.1	-2.5
2006 (Mar - Dec)	-7.2	-18.8
Since Inception	-4.6	-17.2

## Top Holdings

Name	Country	(%)
Emaar Properties	UAE	9.1
MTC	Kuwait	7.7
Agility	Kuwait	5.4

## Fund Information

Launch Date	March, 2006
Management Fee	1.5%
Performance Fee	10% over 10% pa
Subscription & Redemption	Monthly
Subscription Deadline	Five Business days before month end
Redemption Deadline	Ten Business days before month end
Minimum Subscription	US\$100,000
Reuters Code	<SICO>
Fund Listing	Bahrain Stock Exchange
Custodian	SICO Funds Services
Auditors	Price Waterhouse Cooper

## Management Team

Shakeel Sarwar  
Naveed Ahmed, CFA  
Serkan Altay  
Faisal Jiwani  
Khair Fakhro  
Hasan Haider

Investment Bank **sico**