

# SICO Gulf Equity Fund

Fact Sheet - November 2011

NAV US\$101.27 ↓ 1.5%

## Manager's Commentary

Following a buoyant October, global equity markets trended down during November due to a multitude of reasons - Eurozone debt fears, failure of US super committee and signs of a slowdown in the Chinese economy. A rally during the last week of the month sparked by a coordinated action by central banks and reports of IMF in talks with Italy, limited the monthly loss. Apart from Bahrain (+1.5%) and Qatar (which ended flat), other GCC markets were in negative territory. Oman (-3%) was the worst performer, while Saudi, Kuwait, Dubai and Abu Dhabi fell approximately 2%.

The NAV of SICO Gulf Equity Fund declined by 1.5% for the month, which was in line with the performance of the benchmark. The highlight of the month was the recovery in Aluminum Bahrain's share price which had fallen sharply the previous months. We believed that the sell down was an overreaction on the part of investors and its 15% appreciation benefited the fund during the month. Year to date your fund's NAV is down 8.9% versus a 13.5% decline in the benchmark.

The month of December is critical as several key Eurozone meetings, which will determine the future of the bloc, are scheduled to be held. Therefore, it's very likely that the global markets will remain volatile. In addition, MSCI would be announcing the results of its review of UAE and Qatar's inclusion to the emerging markets category. While we have defensively positioned the portfolio by shifting to high dividend yielding stocks, we would also be closely following these developments to rebalance the portfolio.

## 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.

## Returns (%)

	Fund	S&P GCC Ex Saudi Index
Nov 2011	-1.5	-1.5
YTD 2011 (Jan - Nov)	-8.9	-13.5
2010	11.6	18.4
2009	12.9	-1.1
2008	-30.8	-53.4
2007	37.2	38.2
2006 (Mar - Dec)	-7.2	-20.2
Last 3 months	-2.4	-0.3
Last 6 months	-7.2	-6.9
Last 1 year	-4.1	-9.8
Last 3 years	7.3	-13.0
Last 5 years	12.9	-31.9
Since Inception (Mar 06 - Nov 11)	1.3	-48.0

## Fund Information

Launch Date	March 2006
Management Fee	1.5%
Performance Fee	10% over 10% pa
Subscription & Redemption	Weekly
Dealing Day	Wednesday
Subscription & Redemption Deadline	Two Business days before Dealing Day
Minimum Subscription	US\$100,000
Bloomberg Code	SICGULF BI
Zawya Code	SICOGEF.MF
Fund ISIN Code	BH000A1CZ855
Custodian/ Administrator	HSBC Bahrain

## Top Holdings

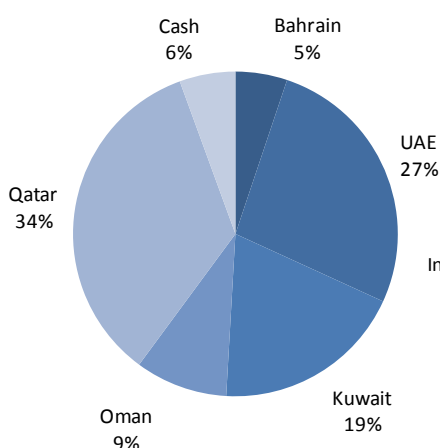
Name	Country	(%)
Industries Qatar	Qatar	6.1
Qatar National Bank	Qatar	5.4
Bank Muscat	Oman	5.2

## Risk Statistics

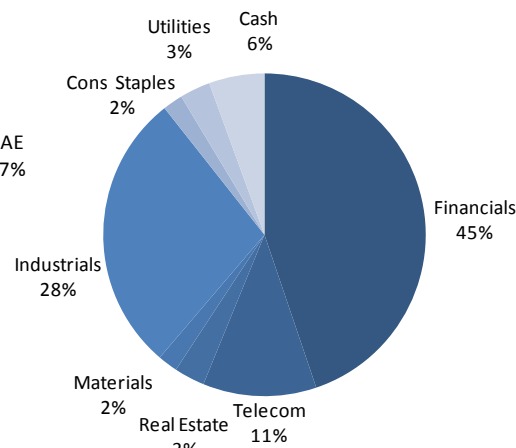
Annualised Standard Deviation (%)	19.1
Sharpe Ratio	NA
Tracking Error (%)	11.0
Information Ratio	1.0
Beta	0.7
Alpha (%)	6.7

\* For further information contact [assetmanagement@sicobahrain.com](mailto:assetmanagement@sicobahrain.com)

## Country Allocation



## Sector Allocation



## Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	11.8	11.8
Price to Book Multiple Latest (x)	1.7	1.4
Return on Equity TTM (%)	15.6	11.5
Dividend Yield - 2010 (%)	5.0	4.8
Number of Holdings	26	141
Annualized Return (%)	0.2	-10.8
Largest Monthly Gain (%)	12.6 (Apr 09)	15.4 (May-09)
Largest Monthly Loss (%)	-14.9 (Oct 08)	-24.4 (Oct-08)
% of Positive Months	52	46
Maximum Drawdown- Peak to Trough (%)	-47.8	-67.5
Length of Drawdown (months)	9	12
Recovery from recent trough (%)	27.8	33.0

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