

صندوق سيكو للأوراق المالية المختارة SICO Selected Securities Fund

Fact Sheet - February 28, 2007

NAV BDO.204 ↑ 0.8%

Manager's Commentary

With the dividend season in full swing, the local bourse was relatively active as many companies carried out their AGMs during the month. However, the Bahrain All Share index fell by 0.4% during February. This was due to the fact that the Bahrain index does not reinvest dividends.

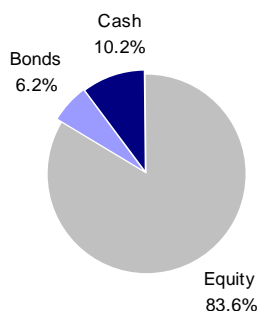
The NAV of SICO Selected Securities Fund increased by 0.8% as blue chip companies posted modest gains. Stocks such as Batelco (+4.8%), BMMI (+7.4%), ABC (+11.7%), ARIG (+7.6%) contributed positively to the fund's performance. Meanwhile, GFH dropped in value despite announcing decent full year numbers and high dividends. During the month, we took advantage of the increased buying interest and reduced our exposure in Bahrain Hotels, BBK and BMMI. Moreover, we exited one of our key holdings, BCFC, resulting in the fund's cash allocation increasing to 10.2%.

We plan to take advantage of the surplus cash by increasing our fixed income allocation. This would improve the fund's performance by guaranteeing an annual income stream from coupon payments. However, if the local equity market corrects further, we would build exposure in blue chip companies that trade below their fair values.

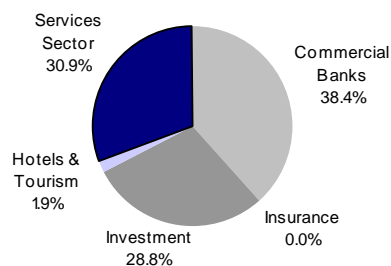
Fund Statistics

Price Earnings Multiple 2006 (x)	10.6
Dividend Yield 2005 (%)	4.3
Number of Holdings	18
Annualized Return (%)	10.2
Largest Monthly Gain (%)	6.9
Largest Monthly Loss (%)	-5.3
% of Positive Months	63.8
Annualized Standard Deviation (%)	9.1
Sharpe Ratio	0.57
Maximum Drawdown (%)	-10.4

Asset Allocation



Sector Allocation



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Investment Objective

SICO Selected Securities Fund invests principally in equity and debt securities listed or expected to be listed on the Bahrain Stock Exchange (BSE).

Returns	Fund (%)	Bahrain Index (%)
February 2007	0.8	-0.4
Year to Date 2007	-1.8	-3.3
Last 3 months	0.6	-1.7
Last 6 months	-0.9	-2.4
Last 12 month	-4.3	-5.4
2006	-0.5	1.0
2005	16.8	23.8
2004	35.5	32.7
2003	28.8	28.5
2002	12.3	3.4
2001	11.8	-2.5
Since Inception	133.1	69.8

Fund Inception was in May 1998

Top Holdings

Name	Sector	(%)
Ahli United Bank	Financial	18.9
Batelco	Telecom	12.9
Gulf Finance House	Financial	11.1

Fund Information

Launch Date	May 27, 1998
Management Fee	1.0%
Performance Fee	20% over 10% pa
Subscription & Redemption	Monthly
Subscription Deadline	Two Business days before month end
Redemption Deadline	Ten Business days before month end
Minimum Subscription	1,000 units
Reuters Code	<SSSF>
Fund Listing	Bahrain Stock Exchange
Custodian	Gulf Clearing Company

Management Team

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

Investment Bank **sico**