

صندوق سيكو للأوراق المالية المختارة SICO Selected Securities Fund

Fact Sheet - January 31, 2007

NAV BD0.202 ↓ 2.6%

Manager's Commentary

Bahrain, after recording a positive return during 2006, started the year on a negative note as the benchmark index lost 3.0% of its value. The market remained range bound for most of the month but declined sharply on low volumes on the last trading day that pulled the overall market down.

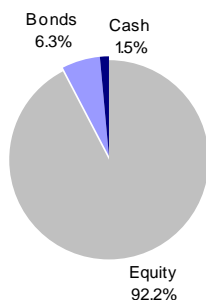
Consequently, the NAV of SICO Selected Securities Fund declined by 2.6% for the month. The big caps, namely Batelco and AUB led the decline as their share prices declined by 16.6% and 9.3%, respectively. Profit taking was witnessed in AUB after the run up during the preceding month. Meanwhile, Batelco dropped by 10% on the last trading day with only 13,000 shares traded that affected the fund and the overall market. We remain optimistic on Batelco as it is transforming itself from being primarily a value driven company (low price to book, high dividend yield) to more of a growth company.

Our non Bahraini holdings, Qtel and BankMuscat helped the fund outperform the benchmark. BankMuscat increased by 3.7% during the month on the back of renewed optimism over its 2007 prospects. Qatar Telecom, despite a sharp decline in the overall Qatari market (down 9.9%), stood firm and appreciated by 9.3% on the back of a 25% acquisition in Asia Mobile Holdings, part of Singapore Government's investment vehicle Temasek Group. We believe that this acquisition would be accretive for Qatar Telecom as not only have they purchased it a discount to the market value, this acquisition is expected to add approximately 8% to its bottom line during the next couple of years.

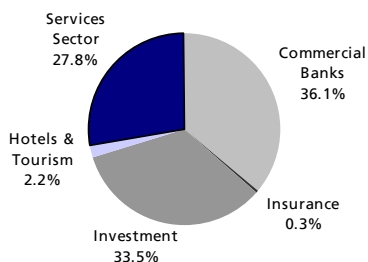
Fund Statistics

Price Earnings Multiple 2006 (x)	10.8
Dividend Yield 2005 (%)	2.9
Number of Holdings	21
Annualized Return (%)	10.2
Largest Monthly Gain (%)	6.9
Largest Monthly Loss (%)	-5.3
% of Positive Months	63.5
Annualized Standard Deviation (%)	9.1
Sharpe Ratio	0.57
Maximum Drawdown (%)	-10.4

Asset Allocation



Sector Allocation



* For further information contact Marketing at: marketing@sicobahrain.com

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 (%)	BSE Index (%)
January 2007	-2.6	-3.0
Last 3 months	-4.2	-3.5
Last 6 months	4.1	4.6
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
2000	-7.0	-18.4
1999	6.0	1.1
Since Inception	131.2	70.5

Top Holdings

Name	Sector	(%)
Ahli United Bank	Financial	18.6
Gulf Finance House	Financial	13.9
Batelco	Services	12.5

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
Auditors	Price Waterhouse Cooper

Head of Asset Management

Shakeel Sarwar

Management Team

Naveed Ahmed, CFA	Serkan Altay
Faisal Jiwani	Khair Fakhro
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بنك استثماري sico
Investment Bank

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