

صندوق سيكو للأوراق المالية المختارة  
SICO Selected Securities Fund

Fact Sheet - September 2011

NAV BD 0.165 ↓ 2.9%

Adjusted (for dividends) NAV BD0.200

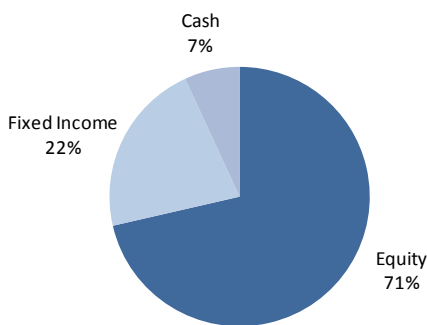
## Manager's Commentary

International bourses continued their downward trend as concerns surrounding the Greek's debt crisis and slowdown of the global economy remained in the forefront. However, the regional markets as measured by the S&P GCC Index outperformed most international bourses and increased marginally (+0.7%) in September. Saudi's index appreciated 2.2%, while Kuwait was up 1.6% as a number of second tier stocks significantly appreciated in the absence of any news. Qatar inched up 0.5% on local support, while Dubai, Abu Dhabi and Oman declined 3-4%.

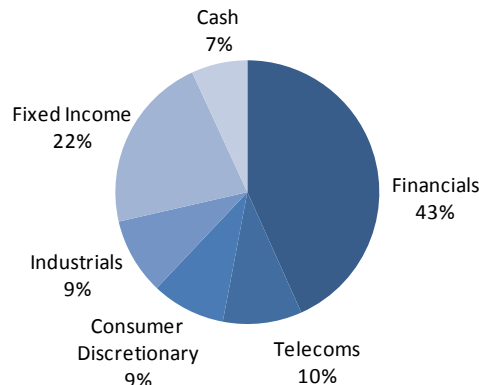
Bahrain was the worst performing GCC market and retreated by 7.4%. The local market was mainly affected by the index heavyweight, Aluminum Bahrain (Alba). Its share price fell sharply after an international research house slashed its target price, following the announcement of a gas price increase. Other stocks such as Ithmaar Bank (-12%), UGIC (-6%) and BBK (-5%) also posted negative returns during the month.

SICO Selected Securities Fund declined by 2.9% for the month as compared to a 7.4% drop in the benchmark. The fund outperformed the benchmark due to our underweight position in Alba and conservative asset allocation. We believe that the sharp drop in Alba's share price is overdone given that the drop has been on extremely low volumes, and at the current price the stock offers a dividend yield of 10%. Once the selling pressure subsides, we expect the share price to gradually recover. For the year, the fund is down 6.2% as compared to a decline of 18.6% in the benchmark. In 2011, Bahrain has been the worst performing GCC market as investor interest has remained low. However, at current levels, there are stocks offering attractive dividend yields (5-10%), which we would continue to invest in.

## Asset Allocation



## Sector Allocation



## Key Statistics

	Fund	Index
Price Earnings Multiple TTM (x)	9.0	11.0
Price to Book Multiple Latest (%)	1.2	0.9
Return on Equity TTM (%)	13.5	8.4
Dividend Yield - 2010 (%)	7.2	5.8
Number of Holdings	16	37
Annualized Return (%)	5.3	-0.6
Largest Monthly Gain (%)	10.7 (May 07)	11.8 (July 98)
Largest Monthly Loss (%)	-12.3 (Oct 08)	-12.2 (Nov 08)
% of Positive Months	58.8	54.4
Maximum Drawdown- Peak to Trough (%)	43.8	59.5
Length of Drawdown (months)	7	44
Recovery from recent trough (%)	2.3	N/A

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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 (%)	Index (%)
Sep 2011	-2.9	-7.4
YTD 2011 (Jan - Sep)	-6.2	-18.6
2010	4.8	-1.8
2009	-9.9	-19.2
2008	-28.4	-34.5
2007	31.7	24.2
2006	-0.3	1.0
2005	16.9	23.8
2004	35.7	32.7
2003	29.0	28.5
2002	12.4	3.4
2001	11.8	-2.5
2000	-7.0	-18.4
1999	6.0	1.1
1998 (May - Dec)	-5.4	-1.0
Last 1 year	-5.7	-19.3
Last 3 years	-34.9	-52.7
Last 5 years	-17.3	-47.8
Last 10 years	103.0	21.8
Since Inception (May 98 - Sep 11)	99.5	-7.7

## Fund Information

Launch Date	May 1998
Management Fee	1.0%
Performance Fee	20% over 10% pa
Subscription & Redemption	Weekly
Dealing Day	Thursday
Subscription & Redemption Deadline	Two Business Days before Dealing Day
Minimum Subscription	US\$100,000
Reuters Code	<SSSF>
Fund ISIN Code	BH000A1CZ8U1
Custodian / Administrator	HSBC, Bahrain

## Top Holdings

Name	Sector	(%)
Ahli United Bank	Financial	10.2
Batelco	Telecom	9.7
NBB	Financial	8.1

## Risk Statistics

Annualised Standard Deviation (%)	14.6
Sharpe Ratio	0.1
Tracking Error (%)	7.8
Information Ratio	0.8
Alpha (%)	4.2
Beta	0.7