

HSBC Financial Institutional Fund – FIF

Monthly Factsheet

as of 30 June 2017

Profile

The fund aims to achieve capital growth by investing in Financial Institutions listed on the Saudi Equity Market over the medium to long term.

Top 10 Holdings (as of 1st valuation day of 2nd Quarter 2017)

Stock	Weight %	Sector
Al Rajhi Bank	19	Banking & Financial Services
National Commercial Bank	19	Banking & Financial Services
Saudi Fransi Bank	10	Banking & Financial Services
Alinma Bank	10	Banking & Financial Services
Samba Financial Group	9	Banking & Financial Services
Al Jazira Bank	8	Banking & Financial Services
The Saudi British Bank	7	Banking & Financial Services
Arab National Bank	7	Banking & Financial Services
Al Bilad Bank	4	Banking & Financial Services
Riyadh Bank	4	Banking & Financial Services

Fund Composition (as end of June 2017)

Sector	Funds Weight in Sector (%)
Banks & Financial Services	98.51
Cash	1.49

Contact Details

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Local and International Investors

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Fund Details

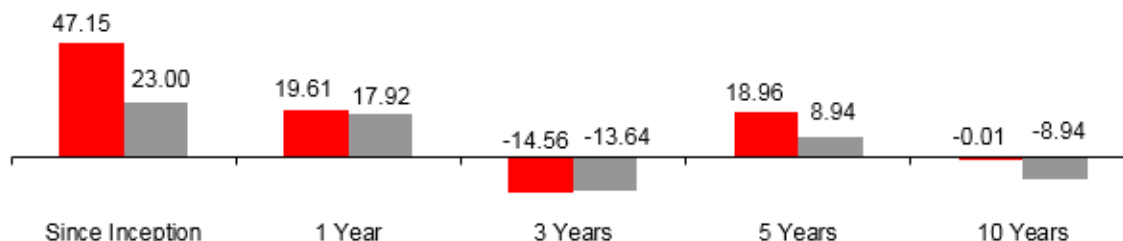
Fund Manager	HSBC Saudi Arabia
Inception Date	01 August 2004
Inception Price	SAR 10
Fund Type	Open ended
Investment Policy	Active Management
Base Currency of the Fund	Saudi Riyal
Risk/Return Profile	High
Benchmark	TADAWUL Banking Index
Bloomberg Code	SABFFIF AB
Zawya Code	HSBFLIS.MF
Fund Size (SAR)	40 Million
Minimum Initial Investment	SAR 5,000
Minimum Additional Investment	SAR 2,500
Valuation Day	Monday & Wednesday
Cut off Time	Before close of business; On Sunday for Monday valuation, and on Tuesday for Wednesday valuation.
Redeemed Funds Payment	2 business days after valuation day
Annual Management Fee	1.7%
Subscription Fee	Up to 2%

2nd Quarter 2017 Financial Indicators

Percentage of Management fees and charges of 2Qtr17 to the average of the Fund's Net Asset Value	0.43%
Amount & percentage of profits distributed in the 2 nd Quarter	NA
Fund manager's investment and percentage to the AUM of the Fund as end of June 2017	NA
Amount & percentage of 2Qtr17 dealing expenses to the Fund's average NAV	2,665 (0.01%)
Percentage of borrowings to Fund's NAV as end of June 2017	NA

Performance as of 21 June 2017

	Since Inception	1 Year	3 Years	5 Years	10 Years
	% Chg	% Chg	% Chg	% Chg	% Chg
■ HSBC Financial Institutional Fund	47.15	19.61	-14.56	18.96	-0.01
■ TADAWUL Banking Index	23.00	17.92	-13.64	8.94	-8.94



	2nd Qtr 17
Standard Deviation	5.06%
Sharpe Ratio	2.76

Please note that the above figures refer to past performance and that past performance is not a reliable indicator of future results. The investment performance of the fund is calculated on a total return basis (i.e. with the cash dividend reinvested), while the investment performance of the benchmark is calculated on a price return basis (i.e. does not include the cash dividend paid). The data is based on the last calculated NAV of the Fund for each month and the value of the benchmark on the corresponding day.

Fund manager comments

Review

During 2Q 2017, TADAWUL Banking Index had a positive performance of around 13.0%. Within the review period, the Fund's NAV grew by around 15.7%, outperforming the benchmark by around 2.7%. During the quarter, MSCI announced the inclusion of Saudi Arabia in the MSCI watch list. The inclusion of Saudi Arabia in MSCI indices should improve liquidity in the market as well as attract foreign investor's inflows which should help diversify the investor based and provide a new source of funding and liquidity to the market. The banking sector is expected to be one of biggest beneficiaries from the inclusion.

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