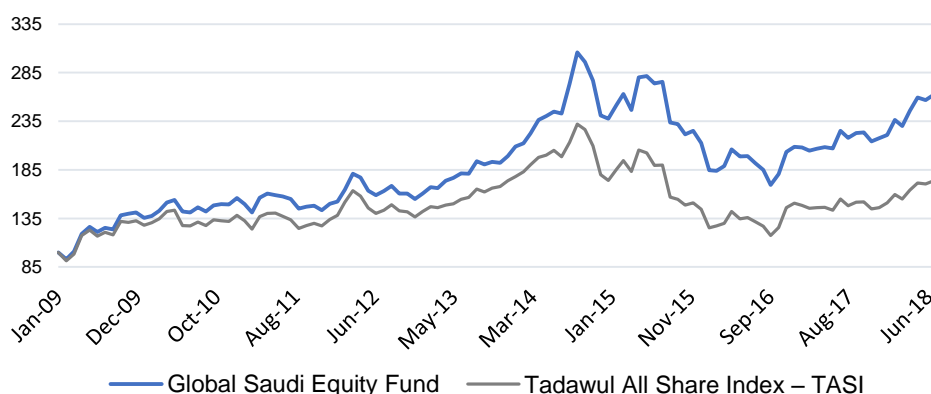


# Global Saudi Equity Fund

## Fund Objective & Strategy

Achieving long-term capital growth with predefined and controlled levels of risk, by investing in stocks listed on the Saudi stock exchange. In addition, the fund will aim to achieve returns that exceed the average by benefiting from the expected economic growth in Saudi Arabia while maintaining a suitable level of diversification for fund assets and reduction of total risk by investing in different market sectors. The fund manager selects companies selling at a discount to intrinsic value. We identify intrinsic value through rigorous fundamental analysis and research conducted by an experienced investment team. Research is done on a company-by-company basis to determine the economic worth of companies based on projected future earnings and cash flows taking into consideration economy and market activity.

### RS 100 Invested Since Inception



### Cumulative Returns (%)

	1 M	3 M	1 Y	YTD	*SI
<b>Fund</b>	1.9%	6.4%	16.3%	18.6%	161.7%
<b>Benchmark</b>	1.9%	5.6%	12.0%	15.1%	73.6%
<b>Difference</b>	0.0%	0.8%	4.3%	3.5%	88.2%

\*Since Inception (January 2009)

### Yearly Performance Ending 31st December (%)

	2012	2013	2014	2015	2016	2017
<b>Fund</b>	7.0	30.1	13.8	-10.6	-1.8	5.8
<b>Benchmark</b>	6.0	25.5	-2.4	-17.1	4.3	0.2
<b>Difference</b>	1.0	4.6	16.2	6.5	-6.1	5.6

## Fund Information

### Asset Type

Equity

### Geographic Focus

Saudi Arabia

### Fund Manager

Global Investment House

### Benchmark

Tadawul All Share Index – TASI

### Fund Listing

Saudi Arabia

### Launch Date

January 2009

### Structure

Open-Ended

### NAV

SAR 261.75

### Current Fund Size

SAR 583.1 mn

### Base Currency

Saudi Riyal

### Initial Investment: SAR 10,000

### Subsequent Investment

Minimum of SAR 5,000

### Subscription & Redemption

Sunday & Tuesday of every week

### Initial Charge: 2%

### Management Fee: 1.75% per annum

### Custodian Fee: 0.15 %

### Administration Fee: 0.13%

### Audit Fee: SAR 65,000

### Tadawul Fee: SAR 5,000

### CMA Fee: SAR 7,500

### Annual Expenses For Individual

Members: Max SAR 40,000

### Custodian \*

HSBC Saudi Arabia

### Redemption Fee

1% if exit before one month

### Auditors

KPMG Al Fozan & Partners

### Bloomberg Code

GLOBEQC AB

### RIC Code

LP65135767

### VAT Applies for the Fee Max 5%

### Risk Metrics

5 years to June 2018

Tracking Error 4.98%

Beta 0.95

Information Ratio 1.12

Sharpe Ratio 0.24

Standard Deviation 20.5%

# Global Saudi Equity Fund

## Fund Review

Global Saudi Equity Fund was up 1.9% M/M in June 2018, in line with the benchmark which was up 1.9% M/M during the same period.

### Positive Contributors:

Our OW positions in Samba and Almarai coupled with UW positions in Saudi Electricity and BUPA contributed positively towards the fund's relative performance during the month.

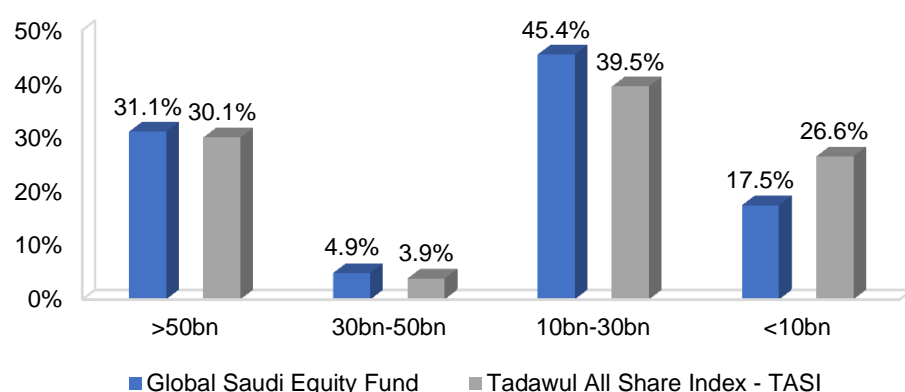
### Negative Contributors:

Our OW positions in Extra and Walaa Insurance coupled with UW positions in Bahri and Tawuniya contributed negatively towards the fund's relative performance during the month.

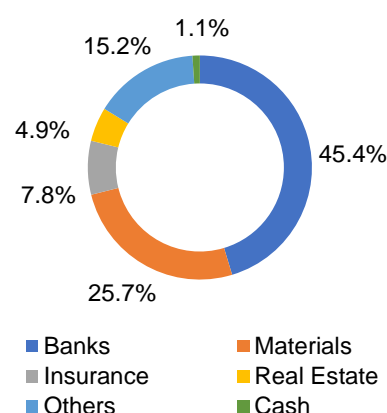
## Top Five Holdings

Stock	Sector	Fund (%)
Al Rajhi Bank	Banks	14.1
SABIC	Materials	9.3
NCB	Banks	7.8
Samba	Banks	4.9
Alinma	Banks	3.7

## Market Cap Weightings



## Sector Breakdown



## Market Commentary

Global Markets ended the month of June on a mixed note owing to fears of a trade-war between the US and its trading partners. On the commodities front, oil was volatile during the month as it declined initially on the back of uncertainties surrounding the OPEC agreement; nonetheless the trend shifted and both Brent and WTI closed higher by 2.2% and 10.6% MoM respectively. This eventual spike was on the back of 1) OPEC+ agreeing to increase output only modestly by up to 1mn bpd, 2) steep decline in US inventories and highest since Sep '16 which also helped lowering the spread between Brent and WTI and 3)

political instability in Venezuela and risks of US imposing sanctions on Iran's oil exports. Also during the month, the Federal Reserve raised its benchmark rates for the seventh time since 2015 and signaled two more rate hikes for the remainder of the year.

Tadawul closed up 1.9% for the month and 15.1% YTD. The major event of the month was the long-awaited MSCI announcement as Saudi Arabia was upgraded to the Emerging Market status. The upgrade for Saudi Arabia will be implemented over two phases in May and August 2019 which will have 2.6% of MSCI

EM index with expected passive flows of around USD10bn.

With the onset of Q2 earnings season and moving into the summer months, Saudi equity outlook for 2018 gives us comfort as the biggest revenue generator - crude oil - remained stable. With this backdrop, the additional inflows from inclusion of Saudi in major passive trackers, we are generally optimistic on the Saudi market for year 2018.

### Disclaimer

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