

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 256.56

Current Fund Size

SAR 571.5 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 September 2018

Tracking Error 4.92%

Beta 0.95

Information Ratio 1.17

Sharpe Ratio 0.14

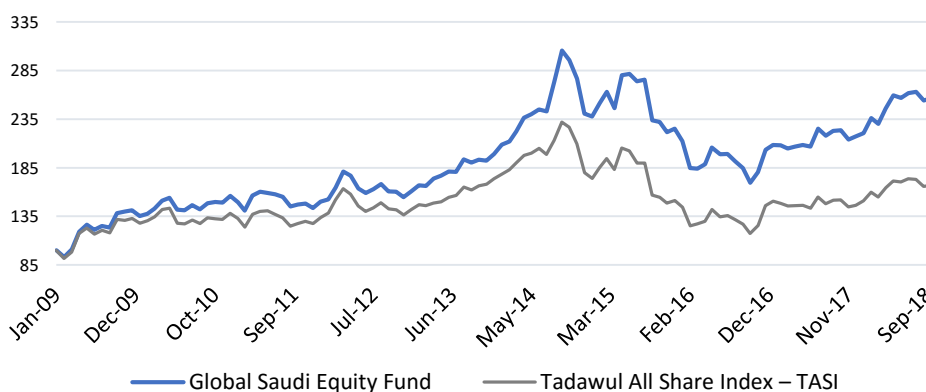
Standard Deviation 20.3%

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
Fund	0.9%	-2.0%	14.8%	16.2%	156.6%
Benchmark	0.6%	-3.8%	9.8%	10.7%	67.0%
Difference	0.3%	1.8%	5.0%	5.5%	89.6%

*Since Inception (January 2009)

Yearly Performance Ending 31st December (%)

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

Global Saudi Equity Fund

Fund Review

Global Saudi Equity Fund was up 0.9% M/M in September 2018, outperforming the benchmark which was up 0.6% M/M during the same period.

Positive Contributors:

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

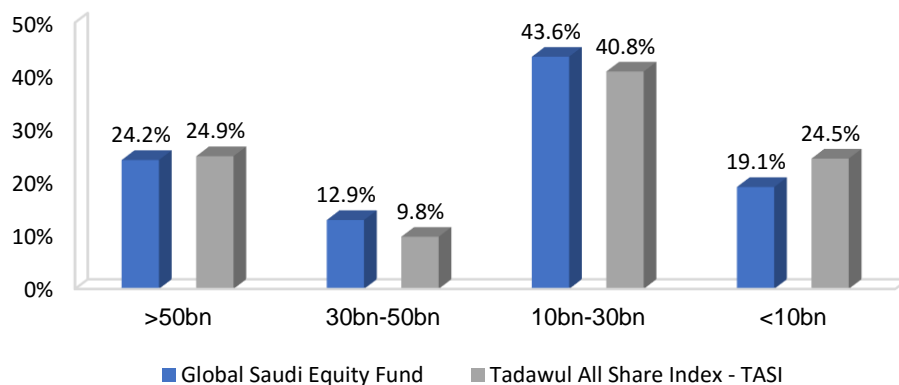
Negative Contributors:

Our OW positions in Wala and Al Rajhi Takaful coupled with UW positions in Jabal Omar and Bahri contributed negatively towards the fund's relative performance during the month.

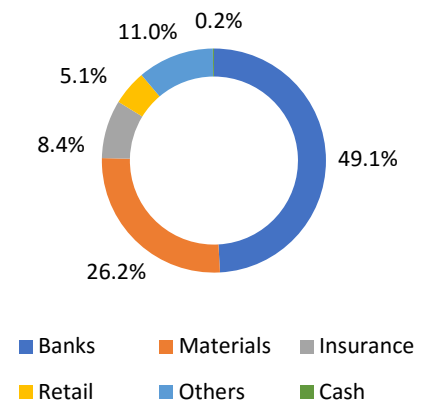
Top Five Holdings

Stock	Sector	Fund (%)
Al Rajhi Bank	Banks	14.8
SABIC	Materials	9.4
NCB	Banks	7.9
Samba	Banks	5.0
Alinma	Banks	4.5

Market Cap Weightings



Sector Breakdown



Market Commentary

On the backdrop of the EM selloff, the US markets held the ground in September with both Dow and S&P gaining 0.4% and 1.9% respectively, broadly ignoring the trade wars and domestic political rhetoric in the country. Brent oil closed above USD80/bbl- gaining 23.7% during the year- as looming Iran sanctions are expected to translate into a lower oil supply. So far, demand side remains unclear as OPEC+ has yet to officially respond to increase the production levels to plug the supply gap.

month witnessed heightened volatility with the Index dropping to 7500 levels before closing the month at 8000. During the month, the Kingdom released preliminary 2018 budget estimates indicating the deficit of 5% of GDP. This remains 200 bps lower than the budgeted number of 7% of GDP. The deficit reduction has been a function of higher oil prices. This also provides more fiscal room to the government as the government targets to increase expenditure by 7% next year.

comfort as the biggest revenue generator - crude oil – remains strong on account of supply cuts and Iranian sanctions. At the same time, ongoing reforms and government spending start to make an impact. With this backdrop, the additional inflows from inclusion of Saudi in major passive trackers in 2019, we are generally optimistic on the Saudi market for the remainder of the year.

Tadawul gained 0.6% during September printing YTD performance of 10.7%. The

As we head into Q3 earnings season, Saudi equity outlook for 2018 gives us

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