

Al Rajhi Saudi Equity Fund

Month Ending December 2018



OBJECTIVE

Achieve long term capital appreciation by investing in shares of Shariah compliant companies listed on the Saudi Stock Exchange (Tadawul). The fund also provides liquidity to the investors.

PERFORMANCE (TABLE)

Track Record	1 Year	3 Years	5 Years	10 Years	Since Inception
Positive Performance (Months)	7	21	32	70	173
Outperformance Against Benchmark (Months)	6	18	31	62	157
Short-term Return (%)	1 Month	3 Months	6 Months	QTD	YTD
Fund	1.71	-3.11	-4.71	-3.11	11.44
Benchmark	1.42	-2.60	-5.08	-2.60	11.37
Calendar Returns (%)	2013	2014	2015	2016	2017
Fund	30.48	1.61	-12.78	8.21	2.75
Benchmark	28.76	-4.83	-14.98	10.56	3.89
Cumulative Returns (%)	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund	11.44	23.90	9.82	113.69	345.39
Benchmark	11.37	27.93	3.52	138.90	385.93
Annualized Returns (%p.a.)	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund	11.44	7.41	1.89	7.89	5.82
Benchmark	11.37	8.56	0.69	9.10	6.17

MANAGER COMMENTARY

It was a turbulent year for the market amid volatile oil prices, spike in geopolitical risks and fears of a global growth slowdown consequent to a global trade war. The Saudi market ended the year up 8.3%, while the fund increased by 11.44% compared with its benchmark which increased by 11.37%. The major market moving sectors were banks which increased by 31%, Materials 4% and Telecom by 27%. Our selective overweight's in the focused sectors led to the positive performance. Going forward, the expectation of improvement in oil prices, expansionary Saudi budget, the FTSE & MSCI EM inclusions in 2019, ongoing structural reforms and possibility of easing geo-political worries will bring about more inflows and institutional participation to the Saudi market.

FEATURES

Fund Type	Open Ended Equity Fund
Fund Domicile	Saudi Arabia
Risk Level	High
Inception Date	July 1992
Inception Price	SAR 100 Per Unit
Fund Currency	Saudi Riyal
Benchmark	S&P Saudi Shariah Index
Subscription Fee	2.00%
Management Fee	1.75% Annually
Performance Fee	Nil
Minimum Subscription	SAR 5,000
Minimum Additional Subscription	SAR 2,000
Minimum Redemption	SAR 2,000
Valuation Frequency & Days	Daily - Sunday to Thursday
Cut-Off Time & Day	Before 5 PM - Prior to Valuation Day
Announcement & Payment Day	Following the Valuation Day
Trade Execution	T + 2 (Third Business Day)

LATEST AWARDS AND RANKINGS (AS AT 31 December 2018)



DISCLAIMER

Al Rajhi Capital is an Authorized Person under the APR with license number 37-07068 granted by the CMA. Past performance is neither an indication nor a guarantee of future returns. The value of units and income from them can go up or down; investors may receive less than what they have originally invested. Additionally, fees charged on funds and currency exchange rates may have additional adverse effects. Investors should consider their individual and financial situation prior to entering into a specific product/fund and should seek advice from investment and legal professionals. Detailed and specific information related to the product is provided in the terms and conditions applicable to the fund which should be read and understood prior to entering into it.

PRICE INFORMATION (End of December 2018)

Net Asset Value Per Unit	SAR	445.3411	▲
Change (MoM)	SAR	7.4942	1.71 %
Total Fund Units		702,783	
Total Net Assets	SAR	312,978,178.82	

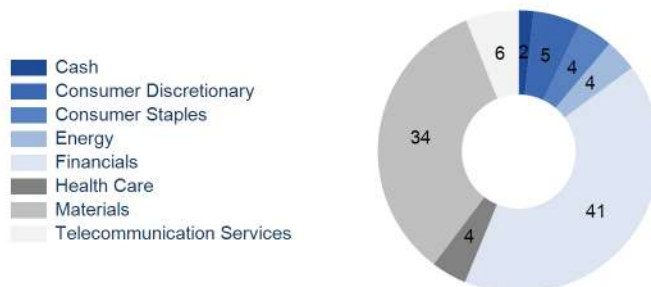
PERFORMANCE (CHART)



TOP 5 HOLDINGS

	% Fund Cur.Month
Al Rajhi Bank	18.28
Saudi Basic Industries Corp	10.83
Alinma Bank	8.99
Saudi Telecom	6.07
Saudi Arabian Mining Company	4.99

SECTOR BREAKDOWN (%TOTAL NET ASSETS)



STATISTICAL ANALYSIS

Performance (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Excess Returns (%)	0.07	-1.15	1.20	-1.21	-0.35
Alpha (%)	1.17	0.45	1.12	0.30	0.92
Risk (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Maximum Drawdown (%)	-7.76	-15.47	-43.10	-43.10	-62.47
Standard Deviation (%)	10.98	14.97	18.55	16.75	20.39
Downside Risk (SSD) (%)	7.34	10.07	13.48	12.17	14.22
MARKET SENSITIVITY (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Beta	0.90	0.79	0.87	0.82	0.80
REWARD TO RISK (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Sharpe Ratio	0.87	0.48	0.16	0.52	0.29
Information Ratio	0.01	-0.29	0.14	-0.25	-0.08
Tracking Error	4.84	5.67	5.25	6.28	10.80

CONTACT DETAILS

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