

# Al Rajhi Saudi Equity Income Fund

Month Ending September 2018



## OBJECTIVE

Achieve total return through the integration of current income with capital appreciation by investing in shares of shariah compliant companies in Saudi Arabia.

## PERFORMANCE (TABLE)

Track Record	1 Year	3 Years	5 Years	10 Years	Since Inception
Positive Performance (Months)	9				22
Outperformance Against Benchmark (Months)	6				16
Short-term Return (%)	1 Month	3 Months	6 Months	QTD	YTD
Fund	0.20	-1.39	4.58	-1.39	14.52
Benchmark	0.91	-2.01	3.18	-2.01	14.72
Calendar Returns (%)	2013	2014	2015	2016	2017
Fund					4.93
Benchmark					2.98
Cumulative Returns (%)	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund	13.46				52.38
Benchmark	15.80				61.67
Annualized Returns (%p.a.)	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund	13.46				16.58
Benchmark	15.80				19.12

## MANAGER COMMENTARY

Global equity markets ended the quarter on a mixed note amid global trade worries offsetting strong corporate earnings and steady macroeconomic data. The Saudi market dropped 3.8% for the quarter following turmoil in emerging markets due to currency weakness, expats exodus and low trading volumes. All sectors (except Media) on TASI declined in Q3'18. Key losers were Food & Beverages (-16.5%), followed by Capital Goods (-13.1%), Consumer Services (-11.4%), Food & Staples Retailing (-8.8%) and Real Estate (-5.1%). The Materials sector was down 2.8% while Banks (-0.3%) closed flat. The fund declined 1.4% for the quarter compared with the benchmark which declined 2.0%.

The fund management team believes that the Saudi market is the most attractive on structural basis among regional peers. We expect the performance of the domestic market to improve over the medium to long term, supported by higher oil prices, expected expansionary budget and foreign inflows attached to the inclusion in the FTSE and MSCI emerging indices.

## FEATURES

Fund Type	Open Ended Equity Fund
Fund Domicile	Saudi Arabia
Risk Level	High
Inception Date	January 2016
Inception Price	SAR 10 Per Unit
Fund Currency	Saudi Riyal
Benchmark	S&P Saudi Arabia Shariah Dividend Custom 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	Bi-weekly - Sunday & Wednesday
Cut-Off Time & Day	5 PM - Before one Day of Valuation Day
Announcement & Payment Day	Monday & Thursday
Trade Execution	T + 2 (Third Business Day)

## LATEST AWARDS AND RANKINGS (AS AT 30 September 2018)



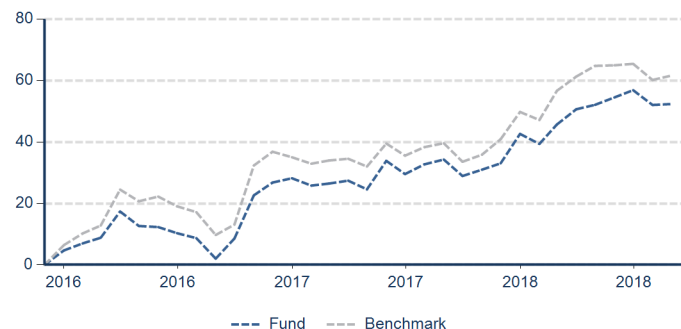
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## PRICE INFORMATION (End of September 2018)

Net Asset Value Per Unit	SAR	13.9854	▲
Change (MoM)	SAR	0.0275	0.20 %
Total Fund Units		11,162,583	
Total Net Assets	SAR	156,113,191.47	

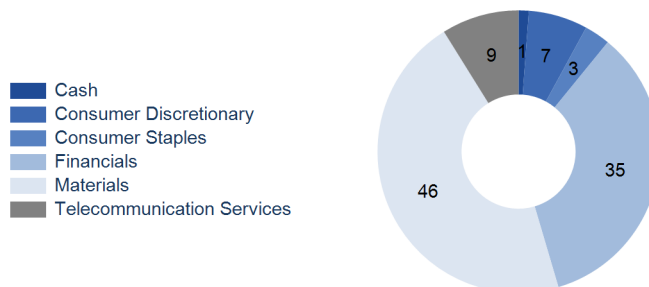
## PERFORMANCE (CHART)



## TOP 5 HOLDINGS

	% Fund Cur.Month
Al Rajhi Bank	19.07
Saudi Basic Industries Corp	12.17
Saudi Telecom	8.87
Alinma Bank	8.16
Yanbu National Petrochemical Company	5.30

## SECTOR BREAKDOWN (%TOTAL NET ASSETS)



## STATISTICAL ANALYSIS

Performance (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Excess Returns (%)	-2.34				-2.54
Alpha (%)	-0.36				0.69
Risk (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Maximum Drawdown (%)	-3.99				-14.62
Standard Deviation (%)	10.53				13.80
Downside Risk (SSD) (%)	7.47				8.97
MARKET SENSITIVITY (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Beta	0.88				0.85
REWARD TO RISK (Annualized)	1 Year	3 Years	5 Years	10 Years	Since Inception
Sharpe Ratio	1.10				1.02
Information Ratio	-0.55				-0.37
Tracking Error	4.06				5.03

## CONTACT DETAILS

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