

### Manager's Commentary

Most regional markets, with the exception of Saudi Arabia, remained lacklustre during March. Saudi Arabia bucked this trend and was up 7% for the month. This was primarily due to foreign buying ahead of the FTSE announcement that came out at the end of the month. Qatar eked a 1.6% return post certain companies announcing an increase in the Foreign Ownership Limit (FOL). Dubai's horrid run continued as the market declined 4.2% despite Emirates NBD announcing an increase in their Foreign Ownership Limit.

The fund appreciated by 2% during the month aided by an increase in our core Kuwaiti holdings. NBK continued to attract interest on the back of being the main beneficiary of passive flows expected during the second half of the year. Within Qatar, the fund benefited from the FOL increase announcement as we had decent exposure to such names. Our investments from Egypt also positively contributed with TMG Holding rising 15% on the back of attractive valuations it was trading at.

During the month, we met the managements of several companies we own or are looking to invest into. While valuations of most markets look attractive, the GCC bourses ex Saudi Arabia lack any major positive catalyst. Nonetheless, the recent underperformance of Dubai has brought certain stocks to attractive levels which we are looking to invest into.

### Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing principally in equity securities listed on the stock markets of the GCC countries excluding Saudi Arabia.

Returns (%)	Fund	Index*
Mar 2018	1.9	1.0
2018 (Jan - Mar)	4.3	3.4
2017	2.7	-0.1
2016	0.0	9.2
Last 3 Months	4.3	3.4
Last 6 Months	-0.5	0.7
Last 9 Months	3.6	3.1
Last 1 Year	3.3	-0.8
Last 3 Years	6.8	-0.4
Last 5 Years	36.9	26.6
Last 10 Years	18.2	-23.6
Since Inception (Mar 06– Mar 18)	62.9	-7.6

\*S&P GCC ex Saudi Total Return Index

### Fund Information

Launch Date	March 2006
Management Fee	1.5%
Performance Fee	10% over 10%
Subscription & Redemption	Weekly
Dealing Day	Wednesday
Subscription & Redemption Deadline	Two business days before the dealing day
Minimum Subscription	US\$ 100,000
Bloomberg Code	SICGULF BI
Zawya Code	SICOGEF.MF
Fund ISIN Code	BH000A1CZ855
Custodian / Administrator	HSBC Bahrain

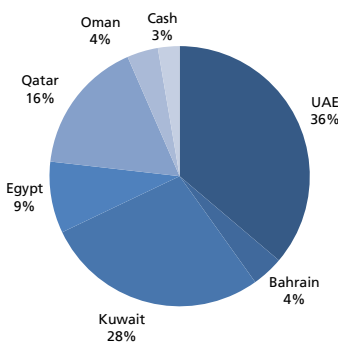
### Top Holdings

Name	Country	(%)
National Bank of Kuwait	Kuwait	9.2
Aramex	UAE	8.0
DP World	UAE	7.6

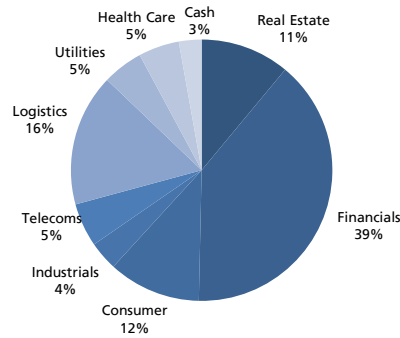
### Risk Statistics (last 5 years)

Standard Deviation (%)	13.0
Sharpe Ratio	0.3
Tracking Error (%)	6.2
Information Ratio	0.3
Alpha (%)	2.1
Beta	0.8

### Country Allocation



### Sector Allocation



### Key Statistics

	Fund	Index
Price to Earnings Multiple TTM (x)	11.9	13.4
Price to Book Multiple Latest (x)	1.3	1.3
Return on Equity TTM (%)	10.1	9.9
Dividend Yield—2016 (%)	4.0	4.8
Number of Holdings	21	154
Annualized Return (%) - Last 5 years	6.5	4.8
Annualized Std Deviation (%) - Last 5 years	13.0	15.6
Largest Monthly Gain (%) - Last 5 years	9.0 (Apr 15)	9.3 (Jul 14)
Largest Monthly Loss (%) - Last 5 years	-9.0 (Jun 14)	-13.6 (Jun 14)
% Positive Months (%)	57	51
Success Ratio (%) - Last 5 years	58	NA
Latest Drawdown-Peak to Trough (%)	-20.3	-33.0
Duration of Drawdown (months)	(17mths) Aug 14 to Jan 16	(21mths) May 14 to Jan 16
Recovery from Latest Drawdown (%)	17.6 Feb 16 to Mar 18	24.8 Feb 16 to Mar 18

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بنك استثماري sico  
Investment Bank

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