

Al Mal UAE Equity Fact Sheet

NAV Per Unit: AED 1.20



November 2019

Fund Objective: The Al Mal UAE Equity Fund's objective is to achieve medium to long-term capital growth by investing primarily in equities listed on the UAE Exchange.

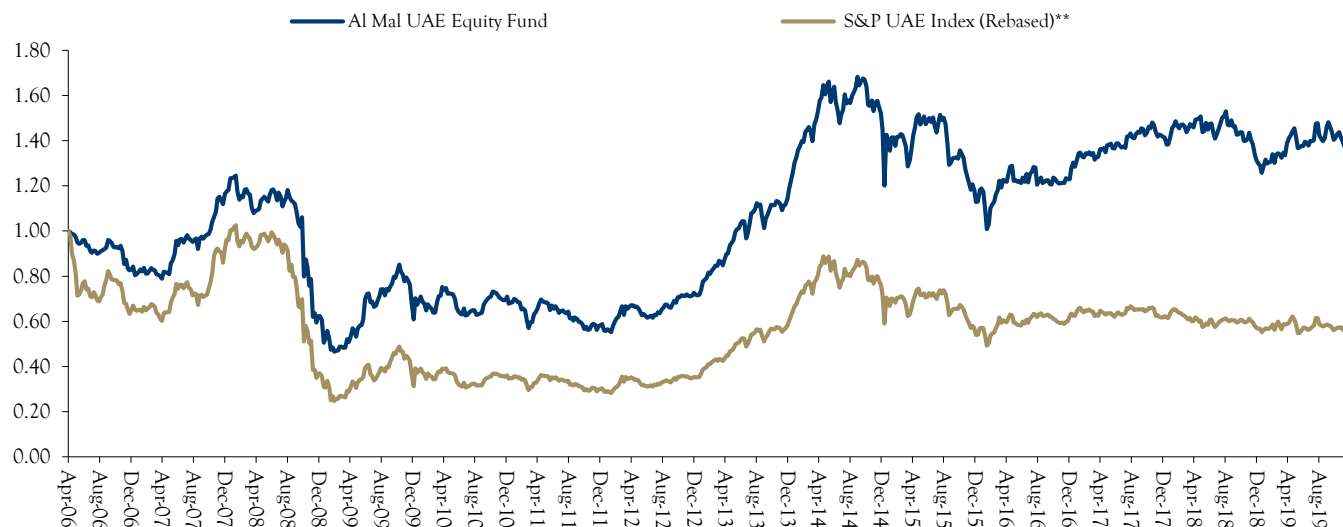
Key Terms:

Fund Manager	Charles-Henry Monchau, CFA
	Sherif El Haddad
	Vrajesh Bhandari, CFA
	Tamara Tannir, CFA
Inception Date	5th April 2006
Fund Registration	UAE
Currency	AED
Fund Size	AED 38mn
Subscription	Weekly
Dividend Frequency	Yearly
Min Subscription	AED 100,000
Management Fee	1.50%
Performance Fee	20% over 10% hurdle with high watermark
Subscription Fee	Up to 2%
Redemption	Weekly
Benchmark Index	S&P UAE Composite Index
Fund Type	Open Ended
Administrator	Standard Chartered
Custodian	Standard Chartered
Financial Year End	31st December
Auditors	Deloitte

Performance Yearly	Fund	Benchmark	Relative Perf.
2019	6.5%	-1.2%	7.7%
2018	-5.7%	-7.7%	2.0%
2017	7.8%	-1.6%	9.4%
2016	7.9%	9.0%	-1.1%
2015	-15.3%	-17.6%	2.3%
2014	11.2%	7.5%	3.7%
2013	81.4%	88.0%	-6.6%
2012	28.7%	23.5%	5.2%
2011	-18.4%	-17.7%	-0.7%
2010	-1.0%	-8.8%	7.8%
2009	31.2%	24.6%	6.6%
2008	-56.9%	-69.4%	12.5%
2007	50.4%	54.8%	-4.4%
2006	-19.1%	-35.2%	16.1%
Since Inc.	39.7%	-44.0%	83.7%

Performance ¹	Fund	Benchmark ²	Relative Perf.
1 Month	-1.1%	-2.4%	1.4%
YTD*	6.5%	-1.2%	7.7%
1 Year	3.7%	-3.7%	7.4%
3 Years	0.0%	13.7%	-13.7%
5 Year	-6.8%	-8.2%	1.3%
Since Inc.	39.7%	-44.0%	83.7%

Performance



* As of 27th of November 2019

Source: Al Mal internal performance measurement based on reports from third-party administrators (Standard Chartered Bank)

¹ Performance is net of fees; 3-year and 5-year return is cumulative

²S&P UAE Composite Index

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Fund Manager Commentary:

As it has been the case in recent history, the UAE equity markets performance is struggling in the fourth quarter. Both Dubai and Abu Dhabi closed in the negative territory last month. For our fund, NMC was a major contributor in November with a 19% gain that led to strong outperformance for Al Mal UAE Equity Fund.

Emirates NBD's rights issue received total funded commitment in excess of AED 18bn, implying oversubscription by 2.8 times. Non-UAE investors demand made up more than 60% of this, driven by the recent increase in Foreign Ownership Limit from 5% to 20%. We have further added to this high conviction name for 2020, along with DP world - which has been beaten down very heavily this year.

Air Arabia was introduced as a new idea to the fund this month. The airline announced the purchase of 120 new Airbus planes. Earlier the carrier formed a JV with Abu Dhabi's Etihad Airways, which we think has a lot of potential. The airline has benefitted from rationalization within the industry along with other factors – grounding of 737 MAX and exit of Jet airways – and is expected to get a boost from the Expo.

Portfolio holding DP World announced that the company's expansion worth USD520mn (of which it owns 49%) of the Ain Sokhna seaport will be completed by the second quarter of 2020. The project involves building a second dock that will increase the port's capacity to 1.75mn TEUs, from 970k.

October saw Dubai property sales hit highest monthly mark since 2008, as per data from DLD. Property finder says: "There is a lot of new supply in the market that is priced affordably and as we get closer to Expo 2020, we have seen many consumers decide this is the right time to buy. This is an indication of consumer confidence in the market leading to 2020". Off-plan properties account for 60% of the residential transactions to date and are still the favorite for investors due to attractive prices, payment plans and waiver of fees.

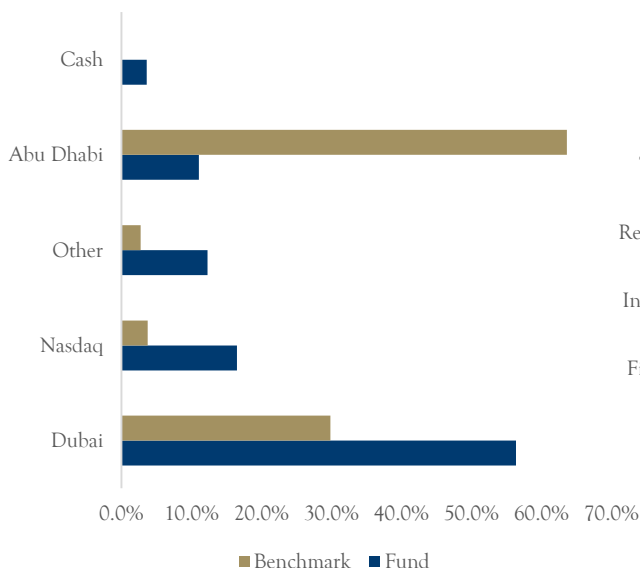
Top Portfolio Holdings	% of Fund
Emirates NBD	15.2
NMC Health	12.3
Emaar Properties	11.9
Total # of Holdings	10

Source: Al Mal internal performance measurement based on reports from third-party administrators (Apex)

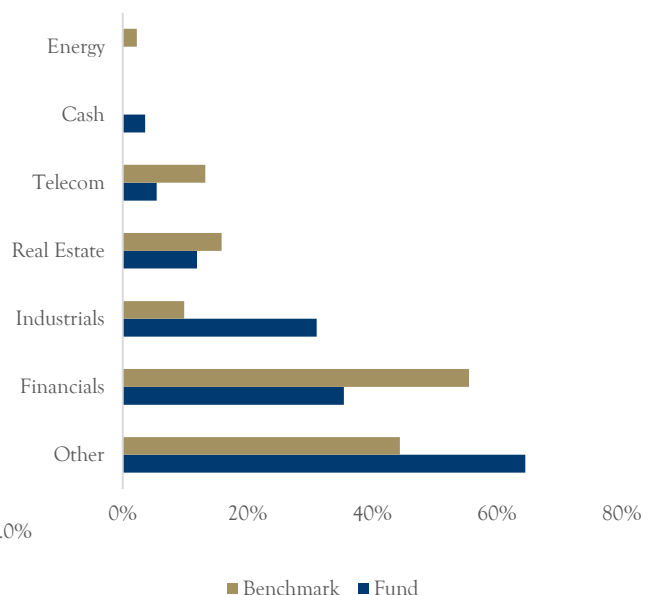
Fund Characteristics ²	Fund	Benchmark
Standard Deviation	12.1%	13.2%
Sharpe Ratio	0.17	-0.35
Beta	0.75	
Tracking Error	7.6%	
Information Ratio	0.80	

² Calculated using 3-year weekly data

Geographic Allocation



Sector Allocation



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