

Al Mal UAE Equity Fact Sheet

NAV Per Unit: AED 1.17



December 2018

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.

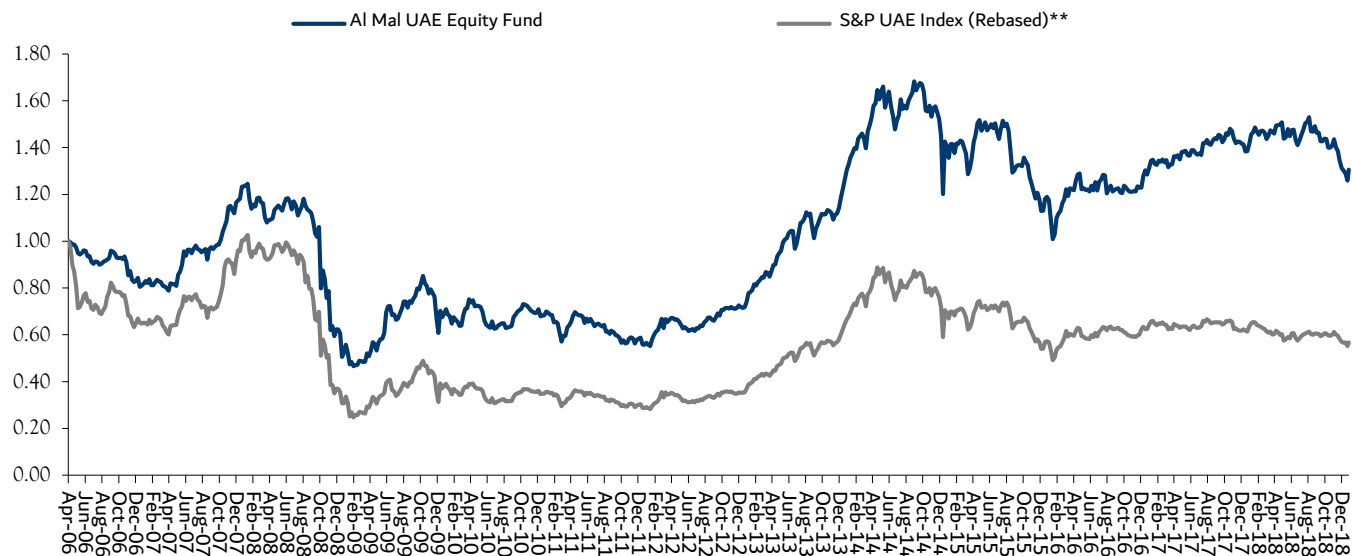
Key Terms:

Fund Manager	Charles-Henry Monchau, CFA Khaled Abdel Majeed Vrajesh Bhandari, CFA
Inception Date	5th April 2006
Fund Registration	UAE
Currency	AED
Fund Size	AED 30mn
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.
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.	30.6%	-43.4%	74.0%

Performance ¹	Fund	Benchmark ²	Relative Perf.
1 Month	-2.6%	-2.5%	-0.1%
YTD*	-5.7%	-7.7%	2.0%
1 Year	-5.7%	-7.7%	2.0%
3 Years	11.2%	-0.3%	11.6%
5 Year	-1.7%	16.3%	14.7%
Since Inc.	30.6%	-43.4%	74.0%

Performance



* As of the last Wednesday of every month (31 of December, 2018)

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

² S&P Pan Arab Composite Index

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Fund Manager Commentary:

December was another difficult month for UAE equities as the S&P UAE Index fell 2.6% after last month's -5%. Dubai's DFM index retreated -5.8% as poor sentiment got aggravated by forced liquidation of leveraged positions.

2018 saw Abu Dhabi outperformed its neighbor by 37 percentage points, mainly due to the strong showing of First Abu Dhabi Bank. Overall the benchmark UAE Index declined 7.7%. Our Fund outperformed by 200 basis points.

Dana Gas – one of our portfolio holdings – said production reached 70,000 barrels of oil per day (bpd) last month after debottlenecking in Kurdistan region of Iraq. The company is making further investment to double current production over the coming three years. For us, this is a special situation investment – we are confident of a favorable award in the arbitration case against Iran.

The Department of Tourism and Commerce Marketing (DTCM) announced that the combined number of tourists visiting Abu Dhabi and Dubai increased by 1.6% during the first eight months of 2018 compared to same period last year. Room occupancy rates increased by 4.2%. However, average daily room prices decreased by 5.4%. This outcome is better than some fears and we view this is a positive. The key highlight though is the 65% increase in Russian tourists – supported by the loosening of entry visa requirements, despite a plunge in the value of the Ruble. Number of tourists from China and Germany increased by 11.6% and 14.7% y/y respectively.

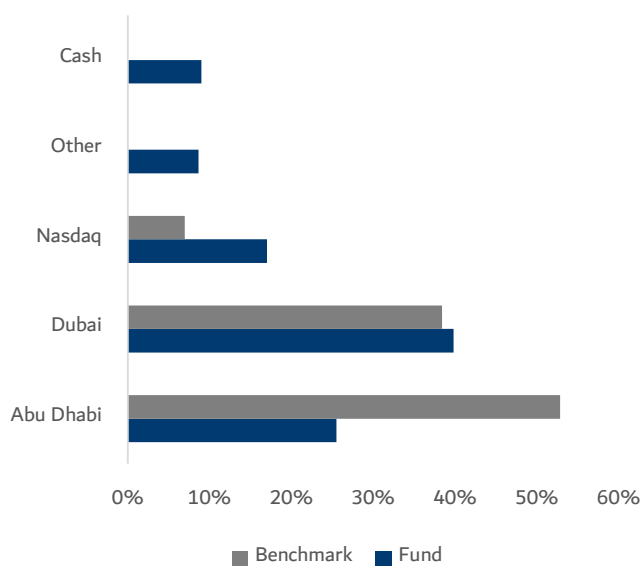
Top Portfolio Holdings	% of Fund
Dana Gas	13.7
Emirates NBD	10.8
DP World	10.1
Total # of Holdings	11

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

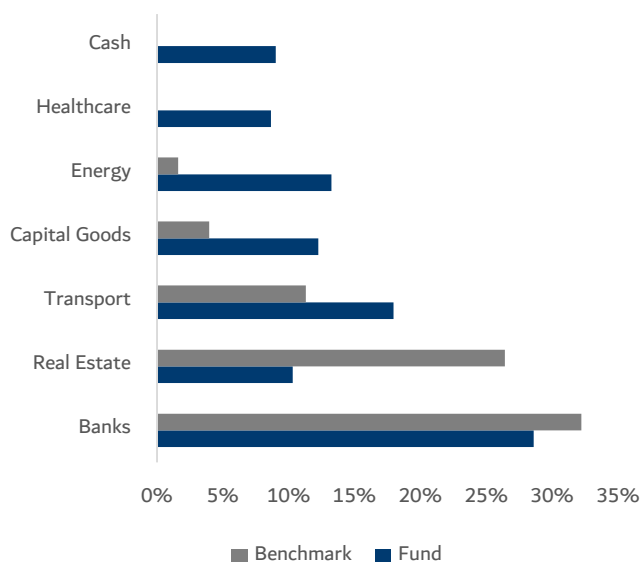
Fund Characteristics ²	Fund	Benchmark
Standard Deviation	19.6%	21.7%
Sharpe Ratio	-0.17	-0.30
Beta	0.88	
Tracking Error	5.7%	
Information Ratio	0.57	

² Calculated using 5-year weekly data

Geographic Allocation



Sector Allocation



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