

MENA Asset Management
Al-Durra Islamic Fund

Fund Objective & Strategy

The fund seeks to achieve long-term capital appreciation by investing in a diversified portfolio of Shariah compliant stocks listed Boursa Kuwait.

The investment process is based on a bottom-up stock selection methodology along with a macroeconomic overlay to identify growth opportunities in Kuwait

The fund invests in multiple sectors and growth/value categories.

Fund Information

Asset Type

Equity

Geographic Focus

Kuwait Markets

Fund Manager

Global Investment House

Benchmark

KIA Kuwait Islamic Liquid Capped Index

Domicile

Kuwait

Launch Date

March 2004

Structure

Open-Ended

NAV

KWD 1.407

Current Fund Size

KWD 31.915 m

Base Currency

Kuwaiti Dinar (KWD)

Initial Investment

KD1,000

NAV Frequency

Weekly

Initial Charge

| | |
|-------------------|------|
| 49,999 and less | 2% |
| 50,000 - 499,999 | 1.5% |
| 500,000 and above | 1% |

Management Fee

1.0% p.a.

Custodian & Controller Fees

0.125% p.a.

Performance Fee

None

Redemption Fee

None

Custodian & Controller

Gulf Custody Company (K.S.C.C.)

Sharia Advisory

Bait Al Tadqeeq Al Shariaa

Auditors

Deloitte & Touche, Al Wazzan & Co.

Bloomberg Code

GLISLAM

Risk Metrics 5 years to April 2019

Tracking Error 6.49%

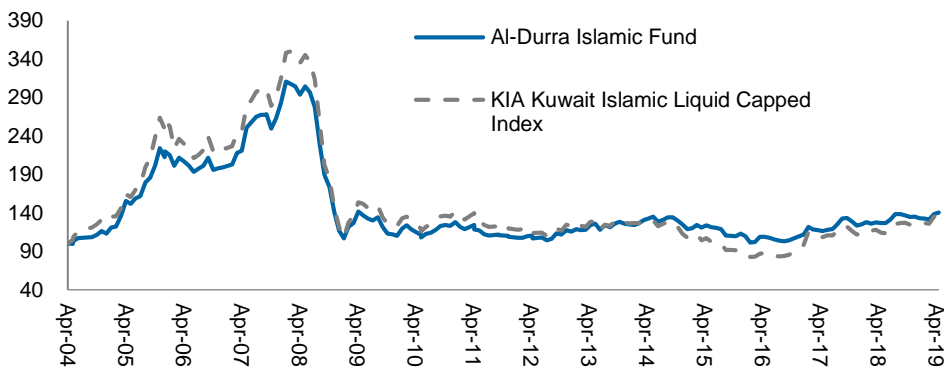
Beta 0.68

Information Ratio 0.03

Sharpe Ratio (0.12)

Standard Deviation 10.93%

USD100 Invested Since Inception



Cumulative Returns (%)

| | 1 M | 3 M | 1 Y | 2Y | YTD | *SI |
|-------------------|-------|-------|-------|-------|-------|-------|
| Fund | 1.7% | 5.9% | 11.1% | 20.8% | 5.7% | 40.7% |
| Benchmark | 1.9% | 8.7% | 20.2% | 23.2% | 9.3% | 37.7% |
| Difference | -0.2% | -2.8% | -9.2% | -2.5% | -3.6% | 3.0% |

Yearly Performance Ending 31st December (%)

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|------------------|------|--------|--------|-------|-------|-------|
| Fund | 8.2% | -4.9% | -7.8% | 1.8% | 11.8% | 6.5% |
| Benchmark | 3.3% | -14.8% | -17.9% | 11.5% | 14.4% | 11.5% |

Al-Durra Islamic Fund

Fund Review

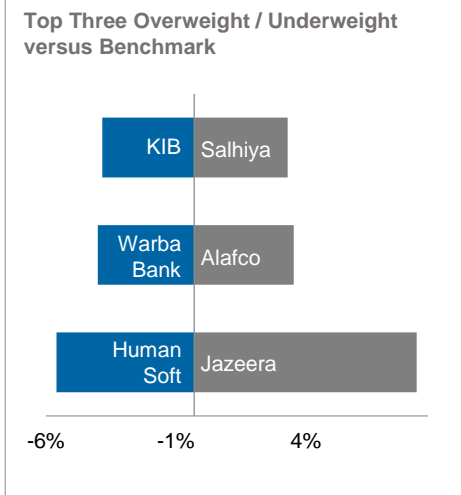
Al Durra Fund was 1.7% higher in April, underperforming KIA Kuwait Islamic Liquid Capped Index which ended the month up 1.9%.

Positive Contributors:

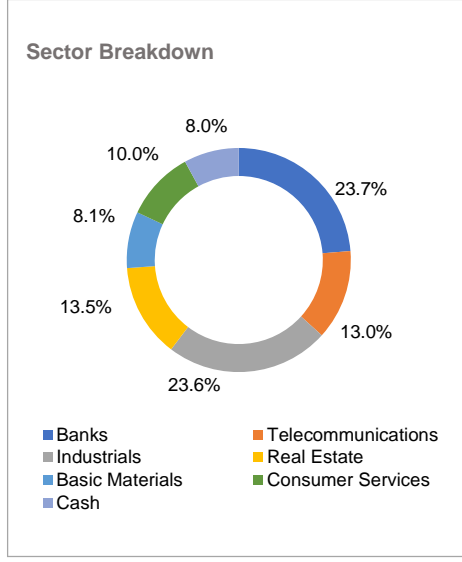
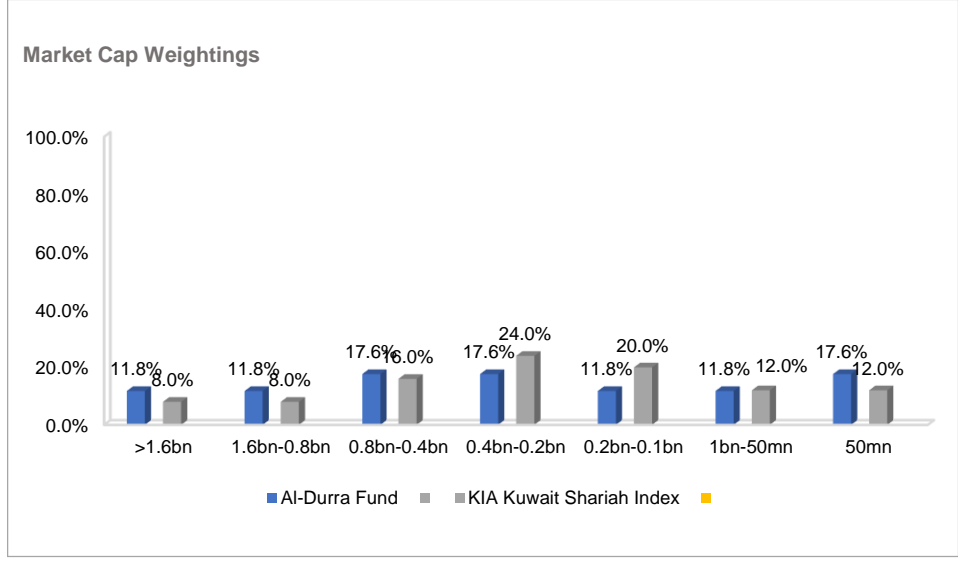
Positive contributors to the fund performance include our OW position in Jazeera which was up 6.8% M/M.

Negative Contributors:

Negative contributors to the fund performance include our OW position in Alafco which was down 4.0% M/M.



| |
|--|
| Kuwait Finance House (KFH) |
| Agility Public Warehousing Company |
| Mobile Telecommunications Company (ZAIN) |
| Jazeera Airways |
| Mabane Company |



Market Commentary

US markets continued the rally in April with S&P 500 gaining 3.9% on strong growth data. However, MSCI EM index remained flat during the month. On the commodities front, Brent oil sustained the strong performance gaining 6.6% in April. The y-t-d performance for Brent and the WTI crude variants stood at 34% and 41% respectively. The major driver behind the rally remains the supply side constrains including non-renewal of waivers on the Iranian crude exports by the US, a reduced supply in Venezuelan crude due to a combination of continued political unrest and American sanctions and finally a strict adherence of the supply cut agreements by OPEC+ countries.

Moving to the GCC, Saudi Tadawul was the best performer for the month gaining 5.5%. This takes the

kingdom's gains to 18.9% y-t-d. The market was helped by a combination of top down factors including strong oil, positive cues from the robust demand for Saudi Aramco bond issuance and imminent implementation of MSCI EM first tranche in the month of May. Also, the kingdom recorded fiscal surplus in 1Q19- buoyed by strong oil prices. From a fundamental perspective, 1Q earnings have remained flat in the kingdom so far. The recent rally has pushed Saudi market valuation to c19x trailing earnings- one of the highest levels recorded historically. The UAE markets also moved up with both Dubai and Abu Dhabi markets gaining 5% and 3.6% respectively during the month. The advances were driven by a strong rally in banking names including ENBD, FAB and ADCB. Qatari market gained 2.7% resulting in y-t-d performance moving

back to positive territory. Finally, Kuwait Premier Index gained 1% taking the y-t-d gains to 14.8%- resulting in the second best GCC market so far.

For 2019, our outlook for GCC countries remain mixed due to tight fiscal space and slightly stretched valuations but supported by passive flows in Saudi, Kuwait and UAE. Overall, we expect the GCC markets to deliver muted returns in 2019 albeit with high volatility. Accordingly, our strategy for alpha generation is by positioning the markets opportunistically.

Disclaimer

Past performance is not a guide to future returns. All the information contained in this document is believed to be reliable but may be inaccurate or incomplete. A full explanation of the characteristics of the investment is given in the prospectus. Any opinions stated are honestly held but are not guaranteed. The outlook expressed in this fact sheet represents the views of the fund manager at the time of preparation and are not necessarily those of the Global Investment House as a whole. They may be subject to change and should not be interpreted as investment advice. The document is meant for financial promotion and does not provide you with all the facts you need to make an informed decision about investing and hence is not intended to constitute investment advice. The information provided should not be considered as a recommendation or solicitation to purchase, sell or hold these securities. It should also not be assumed that any investment in these securities was or will be, profitable.

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