

Fund Information

**Asset Type**  
Equity

**Geographic Focus**  
GCC Markets

**Fund Manager**  
Global Investment House

**Benchmark**  
S & P GCC Large Mid Energy  
custom cap index

**Domicile**  
Bahrain

**Launch Date**  
March 2006

**Structure**  
Open-Ended

**NAV**  
105.435

**Current Fund Size**  
13.57mn

**Base Currency**  
US Dollar (USD)

**Initial Investment**  
10,000

**Subsequent Investment**  
5,000

**Subscription & Redemption**  
Weekly

**Initial Charge**  
2%

**Management Fee**  
1.75% p.a

**Custodian Fee**  
0.125% p.a

**Performance Fee**  
20% over 10% p.a.

**Redemption Fee**  
None

**Custodian**  
HSBC Bank Middle East Limited,  
Bahrain.

**Auditors**  
KPMG Fakhro, Bahrain

**Bloomberg Code**  
GEPADIN

**ISIN Code**  
BH000A0QY1S6

**Risk Metrics** - 5 years to Feb 2019

Tracking Error 7.4%

Beta 0.83

Information Ratio N/A

Sharpe Ratio N/A

Standard Deviation 16.4%

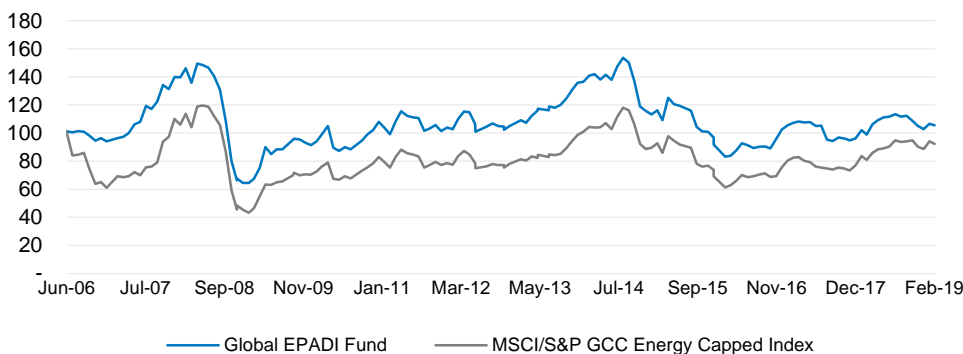
MENA Asset Management

Global EPADI Fund

Fund Objective & Strategy

The fund seeks to achieve long-term capital appreciation by investing in companies principally engaged in energy, petrochemicals, and downstream industries listed on the Arabian stock exchanges. The investment process is based on a bottom-up stock selection methodology along with a macroeconomic overlay to identify growth opportunities throughout the MENA region.

USD100 Invested Since Inception



\*Note: We have changed the benchmark to S&P GCC Energy Capped Index on Sept 30, 2010

Cumulative Returns (%)

	1 M	3 M	1 Y	2Y	YTD	*SI
<b>Fund</b>	-1.1	0.4	6.7	-2.6	2.5	5.4
<b>Benchmark</b>	-1.9	2.1	13.9	11.2	4.1	-7.8
<b>Difference</b>	0.8	-1.6	-7.1	-13.8	-1.5	13.3

Yearly Performance Ending 31st December (%)

	2013	2014	2015	2016	2017	2018
<b>Fund</b>	29.3	-14.8	-20.7	14.9	-8.9	7.1
<b>Benchmark</b>	26.3	-10.1	-21.8	16.0	-4.4	15.2
<b>Difference</b>	3	-4.7	1.1	-1.1	-4.5	-8.1

# Global EPADI Fund

## Fund Review

Global EPADI Fund returned negative for the month under review. The Fund lost 1.1% MoM, outperforming the benchmark which also fell 1.8% MoM.

### Positive Contributors:

Positive contributors to the fund performance include our UW position in IQCD as the stock returned -7.4% MoM.

### Negative Contributors:

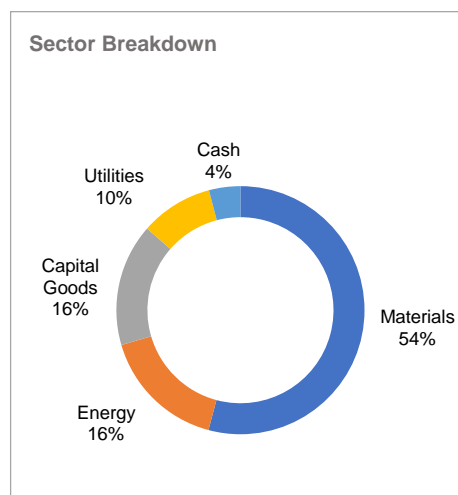
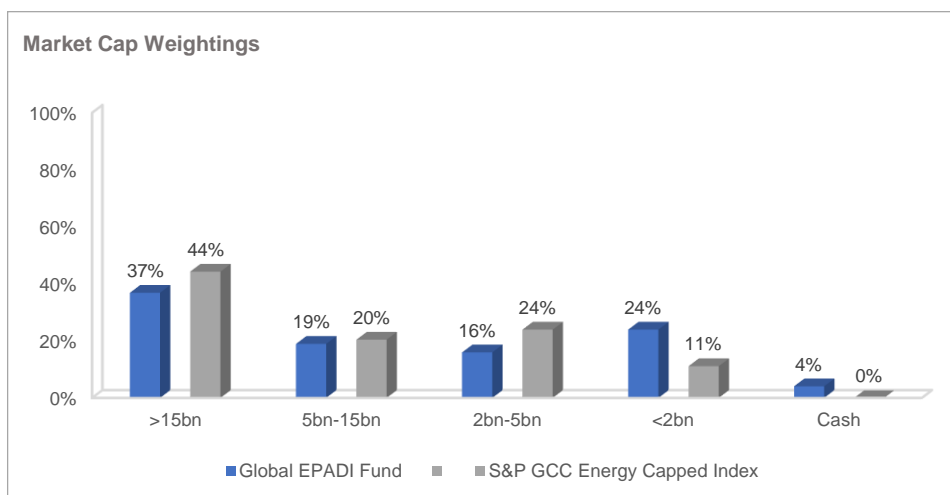
Negative contributors to the fund performance include our UW position in Kayan as the stock gained by 1.4% MoM.

## Top Five Fund Holdings

Stock	Country
SABIC	Saudi Arabia
IQCD	Qatar
SIIG	Saudi Arabia
Yansab	Saudi Arabia
Safco	Saudi Arabia

## Country Weights

Country	Benchmark (%)	Fund (%)
Saudi	61.4	56.5
UAE	0.0	0.0
Kuwait	6.3	20.1
Qatar	32.2	19.3
Oman	0.2	0.0
Cash	N/a	4.1



## Market Commentary

US equities continued the rally in February as Dow gained 3.7% on optimism on the US-China trade talks. Contrary to the US performance, however, MSCI EM index consolidated following a strong January performance. Brent oil also continued its strong performance returning 9% during the month, taking the y-t-d gains to 23.3%- helped by a reduced supply by OPEC+ nations. The oil benchmark gained despite an increased US shale production as delivery bottleneck to the US Gulf coast remains until the second half of 2019.

With 4Q18 earnings season broadly concluded, the GCC companies reported 4Q earnings surge of 11% y-o-y- albeit it remained 10% below consensus. Factoring that, the GCC markets remained in consolidation mode in

February. Following a strong rally in January, Tadawul fell 0.8% during the month. Starting March-19, the first leg of implementation of Saudi inclusion to EM benchmarks will commence and its impact on the prices and the flows will be watched carefully by the market participants. In terms of performance, a similar trend was exhibited in Qatar with the benchmark correcting by 5.7% which we believe is due to stretched valuations following Qatar's strong performance in 2018. Moving to the gainers for the month, Kuwaiti market increased 1% and both Dubai and Abu Dhabi markets soared 2.7% and 1.8% respectively during the month. For the UAE markets, the gains were driven by strong reversals in real estate names led by Aldar and Emaar Properties as two developers reported better than expected earnings and

payouts. Emaar surprised the market with strong real estate sales whereas the upside in Aldar came from the better than expected dividend payout. Despite this rally, we still need to see the turnaround in the direct properties in the UAE- which would be critical to sustain the gains.

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.

Global Investment House K.S.C.C.  
P.O. Box: 28807 Safat, 13149 Kuwait  
Tel.: (965) 2295 1000  
www.globalinv.net