AL MAL CAPITAL

MONTHLY FACT SHEETS

February 2016



AL MAL UAE EQUITY FUND

AL MAL MENA EQUITY FUND

AL MAL SAUDI SHARIAH EQUITY FUND

AL MAL MENA INCOME FUND

AL MAL LIQUIDITY FUND

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Al Mal Investment Funds - Performance Review

Equity Funds

As of 24 February	Launch Date	NAV Per Unit	Week To Date	Month To Date	YTD 2015	Since Inception
Al Mal UAE Equity Fund	April 2006	AED 1.16*	2.95%	12.88%	-2.28%	16.16%
S&P UAE Composite Index			3.21%	13.03%	-0.67%	-43.15%

As of 24 February						
Al Mal MENA Equity Fund	June 2008	USD 7.50	2.32%	8.70%	-4.58%	-25.00%
S&P Pan Arab LargeCap Index			1.44%	6.87%	-7.46%	-50.10%

As of 24 February						
Al Mal Saudi Shariah Equity Fund	March 2011	USD 0.99**	1.96%	4.65%	-5.53%	0.00%
S&P Saudi LargeMidCap Shariah Index			1.99%	6.48%	-10.19%	-11.47%

Income Funds

As of 24 February	Launch Date	NAV Per Unit	Yield	Month To Date	YTD 2015	Since Inception
Al Mal MENA Income Fund (Performance Inclusive of Dividends)	Feb 2009	USD 12.37	3.01%***	1.39%	-0.23%	32.92%

As of 24 February						
Al Mal Liquidity Fund (AED)	April 2009	AED 1.18*	1.39%***	0.11%	0.22%	18.27%

* Please note that NAV Per Unit is rounded to two decimal places for reporting purposes only. The actual NAV Per Unit for trading purposes is calculated to six decimal places.

** The inception date of the Fund was March 23rd 2011. Please note that the NAV Per Unit is rounded to two decimal places for reporting purposes only. The actual NAV Per Unit for trading purposes is calculated to three decimal places. Please also note that the Fund's performance figures are being calculated from the Fund's launch date.

*** Average YTM for the invested portion (excl cash portion) of the Al Mal MENA Income Fund; 7-day annualized portfolio yield (net) for the Al Mal Liquidity Fund (AED).

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Monthly Factsheet

Al Mal UAE Equity Fund

MENA FUND MANAGER PERFORMANCE AWARDS WINNER

zawya Funds Ranking 1

NAV Per Unit: AED 1.16

24 February 2016

Fund Manager Comment

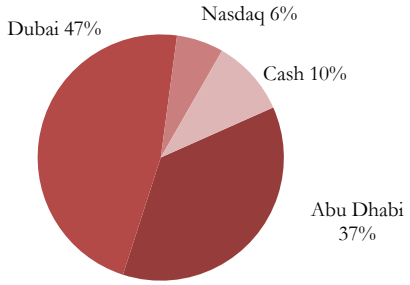
Al Mal UAE Equity Fund was up 12.9% in February v/s. 13.0% increase in S&P UAE Index. Since inception, the Fund has outperformed the benchmark by 59.3%.

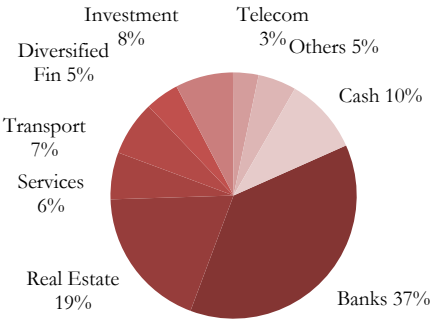
February came in as a revival month for UAE markets with DFM Index soaring 8.1% and ADX Index up 7.3%, more than recovering all the losses posted in January. The recovery in market can mainly be attributed to positive trend in oil prices with Brent gaining 8.7%, mainly due to talks between various OPEC and non-OPEC members regarding supply cut/freeze, and some of the shale oil producers cutting production to curtail losses.

The Q4 earnings season came to an end with some blue chip names coming up with positive surprises. Emaar earnings increased 20% y-o-y driven by increase in local property sales while the hospitality figures were unchanged with occupancy rates averaging at 86% in 2015 vs 85% in 2014. Du showed slump in profits by 10% due to increase in royalty and reduction in subscriber base. Arabtec and DSI reduced losses with Arabtec reporting AED 404 mn loss vs AED 945 mn loss in 3Q 2015 and DSI turning positive with net profit of AED 15 mn vs loss of AED 878 mn in Q3 2015. The biggest surprise came from Dana Gas which reported AED 487 mn profit in Q4 2015 vs AED 11 mn loss in Q4 2014 and AED 28 mn loss in Q3 2015, majorly due to sale of 5% stake in its Iraqi subsidiary, which helped to improve its cash position to AED 1.7 bn, thus explaining the surge in share price.

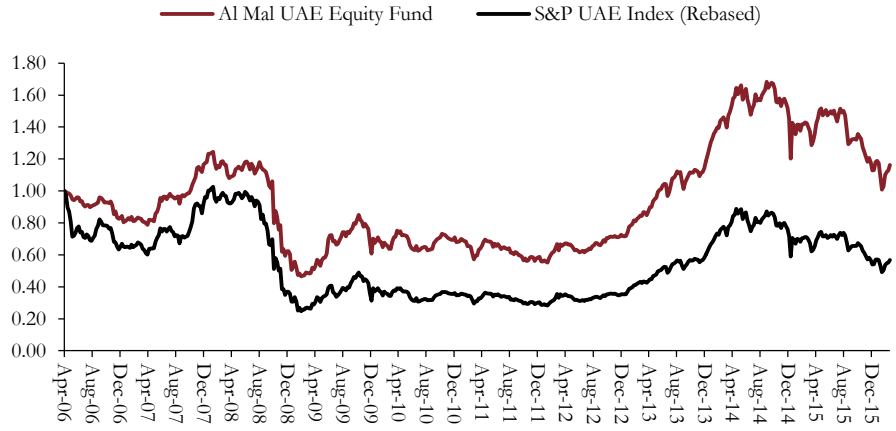
The UAE PMI increased to 53.1 in February vs 52.7 in January, showing signs of improvement in the non-oil sector.

Geographic and Sector Allocation





Fund Performance



Fund Key Information

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 Abu Dhabi Stock Exchange (ADX) and Dubai Financial Market (DFM).

Fund Manager	Tariq Qaqish
Inception Date	5th April 2006
Fund Registration	UAE
Currency	AED
Subscription	Weekly
Min Subscription	AED 100,000
Management Fee	1.50%
Performance Fee	20% over 10% hurdle
Subscription Fee	Up to 2%
Redemption	Weekly
Benchmark	S&P UAE Composite Index
Fund Type	Open-ended
Administrator	Standard Chartered
Custodian	Standard Chartered
Financial Year End	31st December
Auditors	Deloitte
ISIN	AEA003630026
Zawya Code	MALEQTY.MF
Bloomberg Code	MALUAEQ UH
Reuters Code	LP65038334
Morningstar SecID	F00000JQIN

Top Portfolio Holdings	% of Fund
Emaar Properties	13.1
First Gulf Bank	10.7
Abu Dhabi Commercial Bank	8.6

Fund Characteristics	UAE Fund (three year)	UAE Index (three year)
Standard Deviation (Annualized)	24.6%	27.1%
Beta	0.89	-
Sharpe Ratio	0.42	0.32

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006*	Since Inception*
UAE Fund	-13.4%	12.9%											-2.3%	-15.3%	11.2%	81.4%	28.7%	-18.4%	-1.0%	31.2%	-56.9%	50.4%	-19.1%	16.2%%
UAE Index	-12.1%	13.0%											-0.7%	-17.6%	7.5%	88.0%	23.5%	-17.7%	-8.8%	24.6%	-69.4%	54.8%	-35.2%	-43.2%%

* Inception Date of the Fund is 5th April 2006

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Monthly Factsheet

Al Mal MENA Equity Fund

zawya Funds Ranking 2

NAV Per Unit: USD 7.50

24 February 2016

Fund Manager Comment

The Al Mal MENA Equity Fund was up 8.7% in February v/s. 6.9% increase in the S&P Pan Arab Index. The Fund has outperformed the benchmark by 25.1% since its launch in June 2008.

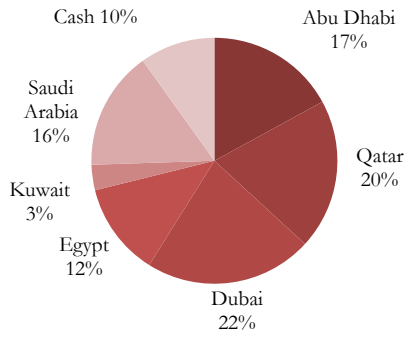
February was relatively a better month for regional markets compared to global markets, with DFM Index leading from the front. In the UAE, Q4 corporate earnings season ended on a mixed note with some of the major companies like Air Arabia and RAK Ceramics posting weakness in profits due to FX losses. Banking sector showed some signs of economic slowdown with RAK bank profit down 18% due to higher provisioning and increase in NPLs, and SHUAA capital posting loss of AED 162 mn due to higher provisioning in financing business.

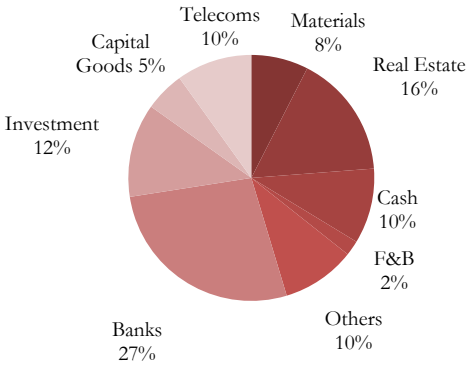
Qatari companies also showed some softening in their profits with Al Meera posting 61% drop in profits y-o-y due to loss on their investment book and Industries Qatar Q4 profits were down 62% y-o-y due to lower petrochemical prices. While overall Q4 results of Saudi corporates were subdued, some of the companies in defensive sectors posted good set of numbers; Dallah Healthcare Q4 profits up 8% y-o-y and Saudi Arabian Catering posting 10% increase in profits y-o-y.

Despite Egypt lowering their economic growth forecast from 4.25% to 4%, we saw some revival in the capital market activity with Arabian food industries planning to raise USD 128 mn in first IPO of 2016 in the region.

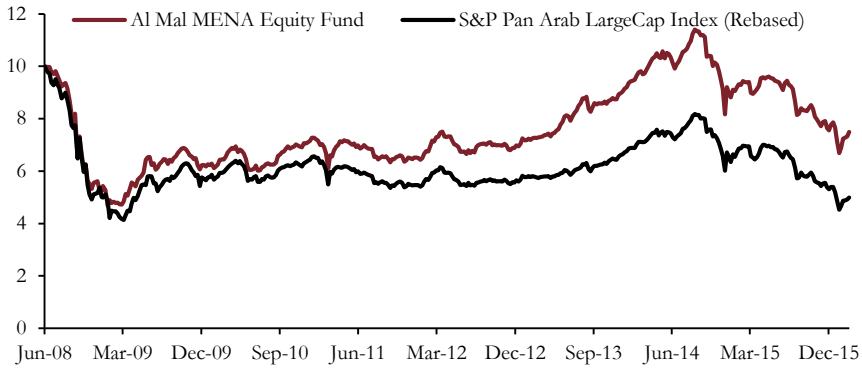
The PMI numbers for the entire region showed some improvement in non-oil sector with the exception of Egypt PMI which came in at 48.1 in February vs 48.0 in January.

Geographic and Sector Allocation





Fund Performance



Fund Key Information

The objective of the Fund is to achieve significant capital appreciation, primarily through investment in equity and equity related securities in the Middle East and North African markets.

Fund Manager	Tariq Qaqish
Inception Date	15th June 2008
Fund Registration	Bahrain
Currency	USD
Subscription	Weekly
Min Subscription	USD 250,000
Management Fee	1.75%
Subscription Fee	Up to 3%
Redemption	Weekly
Benchmark Index	S&P Pan Arab Large Cap
Fund Type	Open-ended
Administrator	Apex
Custodian	Standard Chartered
Financial Year End	31st December
Auditors	Deloitte
Zawya Code	MALMENA.MF
Bloomberg Code	MALMENE BI
Reuters Code	LP65123002
Morningstar SecID	F00000JQIQ

Top Portfolio Holdings	% of Fund
Amanat Holdings PJSC	12.6
Ooredoo QSC	5.4
RAK Ceramics	4.7

Fund Characteristics	MENA Fund (three year)	MENA Index (three year)
Standard Deviation (Annualized)	17.1%	16.4%
Beta	1.0	-
Sharpe Ratio	0.01	-0.34

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD 2016	2015	2014	2013	2012	2011	2010	2009	2008*	Since Inception*
MENA Fund	-12.2%	8.7%											-4.6%	-12.5%	-0.7%	31.1%	6.6%	-8.8%	15.7%	17.7%	-47.5%	-25.0%
MENA Index	-13.4%	6.9%											-7.5%	-17.6%	-1.5%	18.9%	2.6%	-15.1%	13.9%	12.7%	-49.9%	-50.1%

* Inception Date of the Fund is 15th June 2008

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Monthly Factsheet

Al Mal Saudi Shariah Equity Fund

MENA Fund Manager Performance Awards Finalist 2013

NAV Per Unit: USD 0.99

24 February 2016

Fund Manager Comment

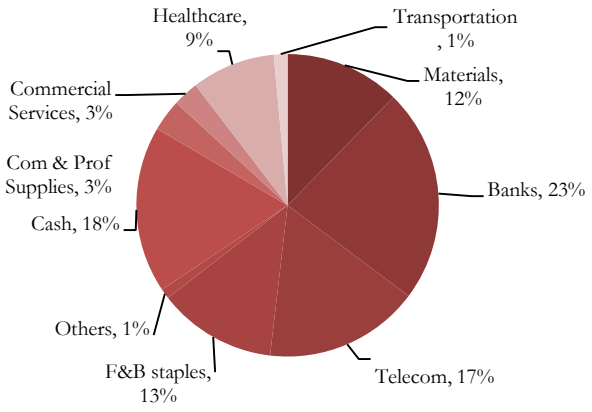
The Al Mal Saudi Shariah Equity Fund was up 4.7% in February as compared to increase of 6.5% in the S&P Saudi Shariah Index. The Fund has outperformed the benchmark by 11.5% since its launch in march 2011.

Tadawul Index was up 1.6% in February, lagging behind its regional peers, mainly due to subdued Q4 earnings season. The meeting between Russia and Saudi Arabia to address supply side glut was successful and both the countries agreed to freeze the output at January 2016 level. However, this may not be sufficient to reduce the excess supply in the market, in our view.

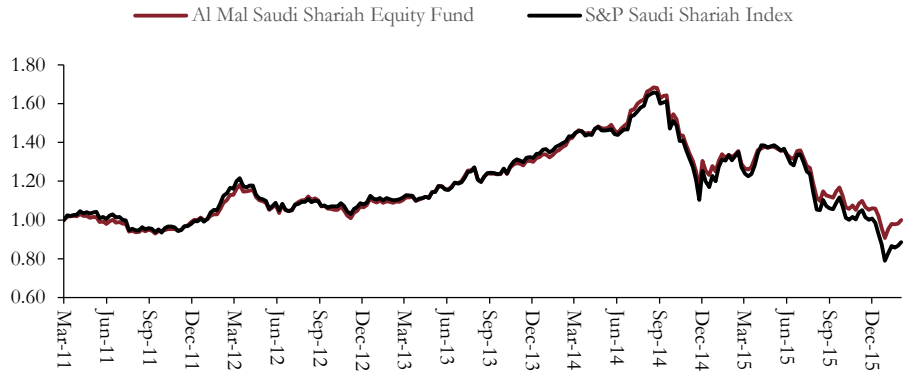
In order to boost bank lending in general and to real estate sector in particular, the Saudi Monetary Authority increased upper limit for Loans-to-deposit ratio from 85% to 90%, and also increased the LTV in mortgages from 70% to 85%. While these initiatives are likely to facilitate growth in lending, the willingness of borrowers is constrained by challenging macro-economic outlook and geopolitical risks. The Q4 earning season came to an end with some negative surprises; Maaden posted losses due to weakness across all product segments and Dar al Arkan posted profit of SAR 49 mn - lowest on record due to lower land sales owing to weakness in overall economy.

The Brent was up 8.7% in February due to production cut and reduced capex by shale producers to curtail losses. We expect this trend to continue if high-cost shale producers are forced to cut production in coming months.

Sector Allocation



Fund Performance



Fund Key Information

To achieve significant capital appreciation primarily through Shariah-compliant investments in equity and equity-related securities issued by companies based in, or with a significant proportion of their business activities in, the Kingdom of Saudi Arabia.

Fund Manager	Vijay Harpalani
Inception Date	23rd March 2011
Fund Registration	UAE
Currency	USD
Subscription	Weekly
Min Subscription	USD 50,000
Management Fee	1.75%
Subscription Fee	Up to 3%
Redemption	Weekly
Benchmark Index	S&P Saudi Large MidCap Shariah
Fund Type	Open-ended
Administrator	Standard Chartered
Custodian	Standard Chartered
Financial Year End	31st December
Auditors	Deloitte
ISIN	AEA003630018
Zawya Code	MALSSEF.MF
Bloomberg Code	MALSSEQ UH
Reuters Code	LP68128853
Morningstar SecID	F00000N74I
Shariah Supervisory Board	Dr. Mohamed Ali Elgari *KSA* Dr. Osama Al Dereai *Qatar* Dr. Mohd Daud Bakar *Malaysia* Dr. Muhammad Amin Ali Qattan *Kuwait*

Top Portfolio Holdings	% of Fund
Al Rajhi Bank	17.1
Saudi Telecom Co.	13.0
Saudi basic Industries Corp (SABIC)	10.1

Fund Characteristics	Saudi Fund (since inception)	Saudi Index
Standard Deviation (Annualized)	18.1%	21.2%
Beta	0.83	-
Sharpe Ratio	-0.20	-0.37

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD 2016	2015	2014	2013	2012	2011*	Since Inception*
Saudi Fund	-9.7%	4.7%											-5.5%	-15.6%	-3.5%	22.9%	6.5%	0.10%	0.0%
Saudi Index	-15.7%	6.5%											-10.2%	-17.9%	-9.1%	23.1%	8.6%	-0.54%	-11.5%

* Inception Date of the Fund is 23rd March 2011

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Monthly Factsheet

Al Mal MENA Income Fund

MENA FUND MANAGER PERFORMANCE AWARDS FINALIST 2013

MENA FUND MANAGER PERFORMANCE AWARDS FINALIST 2012

NAV Per Unit: USD 12.37

24 February 2016

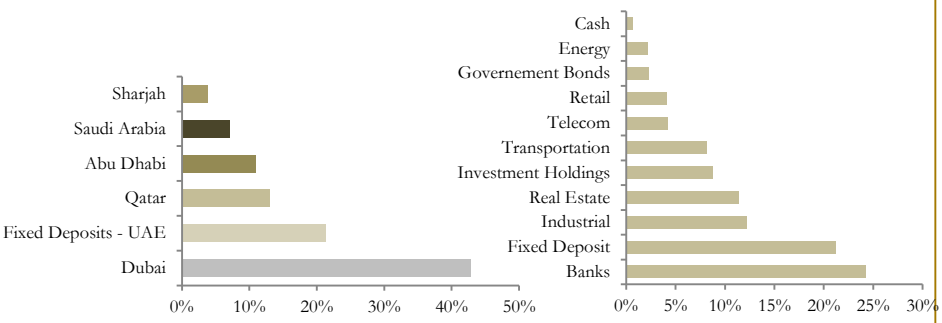
Fund Manager Comment

The Al Mal MENA Income Fund was up 1.39% in February. The Fund has delivered returns of 32.9% since its launch in February 2009.

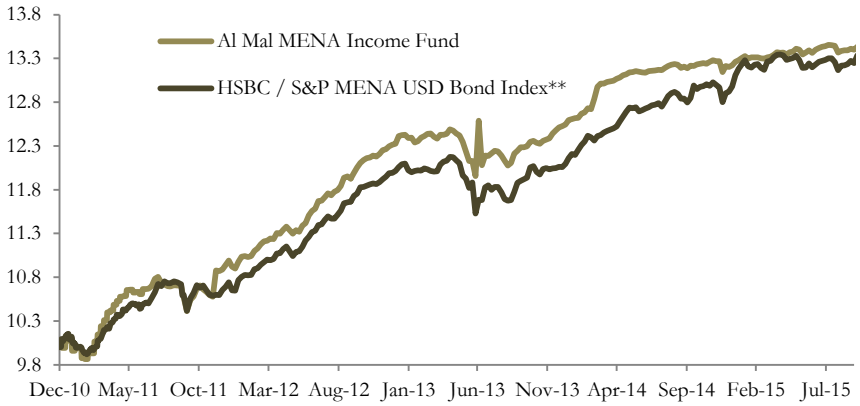
The 10-year US treasury yield ranged between 1.95% to 1.66%. The expectations of another Fed rate hike in its March meeting increased after strong employment data had calmed concerns related to health of the U.S. economy. As a result, the yield increased by 25 bps between end of Feb and 11 Mar, almost pricing-in the Fed rate hike expectations.

In the first week of March, Moody's reviewed sovereign ratings of Bahrain, Kuwait, Qatar, Saudi Arabia and UAE for potential downgrade and took rating actions on 26 GCC-based banks. Bahrain's rating was downgraded to junk, first time a GCC state has been rated below investment grade since 1999. In February, Bahrain had terminated USD 750 mn, 5 and 10-year bonds following S&P's decision to downgrade its rating to junk. No other primary market activity was witnessed in February aside from the Bahraini issue which was revived after the cancellation.

Sector & Geographical Allocation



Fund Performance



* Since HSBC discontinued the Index from Dec 2013, we have used S&P MENA Bond Index as the benchmark

Fund Key Information

The Al Mal MENA Income Fund's objective is to pursue an income-oriented investment strategy which permits distribution of periodic and consistent payment of dividends to unit holders, whilst seeking to preserve and grow the capital of the Fund.

Fund Manager	Tariq Qaqish & Vijay Harpalani
Inception Date	1st February 2009
Fund Registration	Cayman Islands
Currency	USD
Subscription	Weekly
Min Subscription	USD 100,000
Management Fee	1.00%
Subscription Fee	Up to 2%
Redemption	Weekly
Benchmark	S&P MENA Bond Index
Fund Type	Open Ended
Administrator & Custodian	Al Mal Capital
Financial Year End	31st December
Auditors	Deloitte
ZAWYA Code	MALMNIF.MF
Bloomberg Code	ALMENAI KY
Reuters Code	LP65154947
Morningstar SecID	F00000JQIR

Top Portfolio Holdings	Credit Rating: S&P/Moody's	% of Fund
DP World 7/2/2017 6.25%	NR / Baa3	12.2
CBQ 11/18/2019 7.5%	BBB+/ Baa1	8.8
5.50 IPIC GMTN LTD 03/01/22	AA/Aa2	4.4

Portfolio Analysis	
Portfolio Maturity	2.5 years
Avg. YTM (Gross) of Investments	3.01%
Weighted avg. Rating of Portfolio (S&P)	BBB+

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD 2016	2015	2014	2013	2012	2011	2010	2009	Since Inception *
Al Mal MENA Income Fund (Perf. Inclusive of Dividends.)	-1.6%	1.4%											-0.2%	0.89%	5.5%	1.8%	12.6%	7.6%	3.8%	-2.0%	32.9%

* Inception Date of the Fund is 1st February 2009

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Monthly Factsheet

Al Mal Liquidity Fund

NAV Per Unit: AED 1.18

24 February 2016

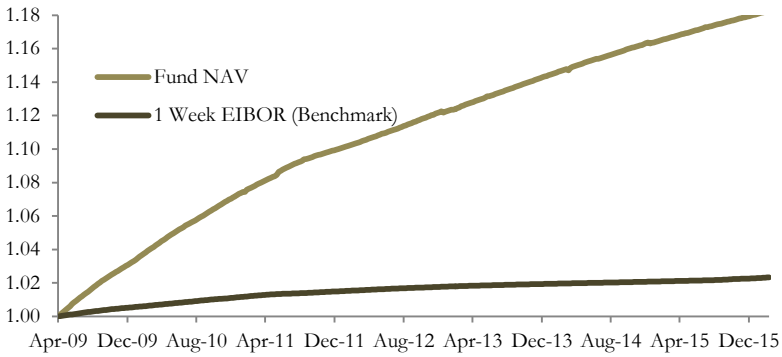
Fund Manager Comment

The Al Mal Liquidity Fund was up 0.11% in February, and has delivered returns of ~ 18.27% since its launch in April 2009.

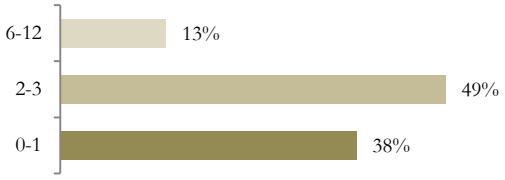
The liquidity conditions further deteriorated in February. The one-week EIBOR increased from 35 bps at start of February to 40 bps as of February end.

The Fund's net yield is around 1.4% level, well above the benchmark.

Fund Performance



Months to Maturity



Monthly Performance

Month	2010	2011	2012	2013	2014	2015	2016
Jan	0.33%	0.25%	0.15%	0.09%	0.18%	0.16%	0.12%
Feb	0.33%	0.23%	0.17%	0.15%	0.14%	0.12%	0.11%
Mar	0.40%	0.28%	0.15%	0.15%	0.14%	0.12%	
Apr	0.32%	0.22%	0.16%	0.15%	0.18%	0.14%	
May	0.31%	0.20%	0.20%	0.19%	0.14%	0.11%	
June	0.34%	0.41%	0.14%	0.15%	0.13%	0.11%	
July	0.27%	0.20%	0.15%	0.18%	0.14%	0.14%	
Aug	0.25%	0.22%	0.21%	0.15%	0.14%	0.11%	
Sept	0.35%	0.16%	0.17%	0.15%	0.14%	0.14%	
Oct	0.27%	0.14%	0.21%	0.19%	0.17%	0.09%	
Nov	0.27%	0.18%	0.15%	0.15%	0.12%	0.12%	
Dec	0.32%	0.11%	0.19%	0.18%	0.10%	0.12%	
Annual	**3.82%**	**2.63%**	**2.05%**	**1.89%**	**1.73%**	**1.50%**	**0.22%**
Since Inception							**18.27%**

Fund Key Information

The Fund's investment objective is to provide investors with capital preservation and above average money market returns. The assets will be invested primarily in UAE and GCC short term paper and deposit instruments.

Fund Manager	Tariq Qaqish & Vijay Harpalani
Inception Date	15th April 2009
Fund Registration	UAE
Currency	AED
Subscription	Weekly
Min Subscription	AED 100,000
Management Fee	0.75%
Redemption	Weekly
Notice Period	3 Business Days
Fund Type	Open Ended
Administrator & Custodian	Al Mal Capital
Financial Year End	31st December
Auditors	Deloitte
ZAWYA Code	MALAEDF.MF
Bloomberg Code	AMALLIQ UH
Reuters Code	LP65135775
Morningstar SecID	F00000JQIP

Al Mal Liquidity Fund offers you:

- Weekly liquidity
- Higher interest income than deposit rates
- Access to cash in case of emergency
- Diversify your portfolio (core asset class)
- Suitable for risk-averse allocation
- Park your liquidity during uncertain and volatile markets

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