

MONTHLY FACT SHEETS

March 2017

LET THE FALCON GUIDE YOU

- Al Mal UAE Equity Fund
- Al Mal MENA Equity Fund
- Al Mal MENA Income Fund
- Al Mal Liquidity Fund

Al Mal Capital
المال كابيتال

48 Burj Gate, Downtown Dubai, Sheikh Zayed Road, Office 901, P.O. Box 119930, Dubai, UAE
Tel +971 4 360 1111, Fax +971 4 360 1122 www.almalcapital.com

Al Mal Investments Funds – Performance Review

Equity Funds

As of 29 March	Launch Date	NAV Per Unit[1]	Week To Date	Month To Date	YTD 2017	Since Inception
Al Mal UAE Equity Fund (Performance Inclusive of Dividends)	April 2006	AED 1.28	0.10%	-1.47%	3.58%	32.86%
S&P UAE Composite Index			-1.03%	-4.47%	0.00%	-37.62%
Al Mal MENA Equity Fund	June 2008	USD 7.66	0.13%	-2.54%	1.19%	-23.40%
S&P Pan Arab Large Cap Index			0.02%	-3.11%	-0.22%	-43.97%

Income Funds

As of 29 March	Launch Date	NAV Per Unit[1]	Yield[2]	Month To Date	YTD 2017	Since Inception
Al Mal MENA Income Fund (Performance Inclusive of Dividends)	Feb 2009	USD 12.77	3.58%	0.22%	1.23%	36.93%
Al Mal Liquidity Fund	April 2009	AED 1.21	1.88%	0.18%	0.46%	20.56%

Notes:
Performance data is net of fees. Performance computation is done internally based on reports from third-party administrators (Standard Chartered/Apex/Al Mal)
1. NAV Per Unit is rounded to two decimal places for reporting purposes only.
2. For Al Mal MENA Income Fund, yield refers to average Yield to Maturity ("Yield") for the invested portion (excl cash portion). For Al Mal Liquidity Fund, yield refers to 7-day annualized portfolio return (net).

Al Mal MENA Equity Fund – Monthly Factsheet

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29 March 2017

NAV Per Unit: USD 7.66

March is known for profit taking as the dividend season concludes and investors unwind excess capacity. This led the Fund to fall by -2.5% in March v/s. -3.11% decrease for the benchmark. On the other hand, April started on a very strong foot on the back of redeploying dividends across the region and as investors cheered the new FGB-NBAD merger in the UAE . We like the new entity and we think it will rarely come as straight forward as this one. The bank's cost to income ratio is below 30%, the same old NBAD rating, ~16% sustainable Return on Equity, dividend yield of > 4.0% assuming a dividend cut from 2016 levels and above all backed by Abu Dhabi. We would not bet against the name.

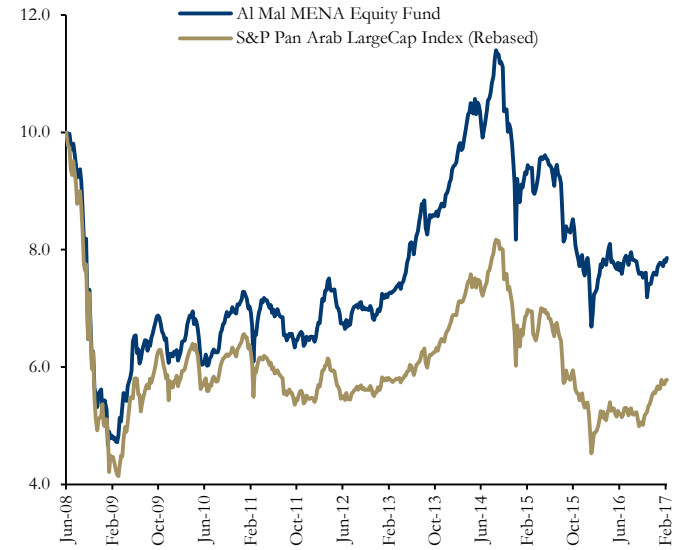
Major Cleaning

Last month we exited 9 positions of our lower conviction ideas and concentrated the portfolio where we have the highest convictions. We still see further room to concentrate our holdings and should only stay focused where we can adequately price risk.

In the UAE we increased our exposure to Aramex where we see huge potentials. 40% of Aramex's revenues is from e-commerce, a market with huge growth potentials across the GCC and Asia. With double digit expected growth and 15.1x 2018 P/E and 3.1% dividends yield we honestly believe the market is not giving the management its true value. One last thought, just ponder how the management doubled its DPS since 2011.

Another name we believe that it is unjustifiably underpriced is Aluminum Bahrain. The recent rally might scare investors, but the company is still trading 6.8X versus 5 years average of 9.1x, a 25% discount. This is assuming $1,800/ton price for Aluminum and similar production to last year. Current Aluminum price is $1,960/ton and their production came +5% higher in the first quarter versus the same period last year.

Performance Graph



Performance[1]	Fund	Benchmark[2]	Relative Perf.
MTD	-2.5%	-3.1%	0.6%
YTD	1.2%	-0.2%	1.4%
1 Year	-1.7%	9.4%	-11.1%
3 Years	-24.8%	-24.0%	-0.7%
5 Year	2.0%	-8.4%	10.3%
Since Inc.	-23.4%	-44.0%	20.6%

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

[1] Performance is net of fees; 3-year and 5-year return is cumulative
[2] S&P Pan Arab Composite LargeCap Index

Fund Key Information

Fund Objective:
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	Marwan Haddad, CFA
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 Sec ID	F00000JQIQ

Al Mal MENA Equity Fund – Monthly Factsheet

Fund Performance[1]

Performance	Fund	Benchmark	Relative Perf.
YTD 2017	1.2%	-0.2%	1.4%
2016	-3.7%	4.1%	-7.8%
2015	-12.5%	-17.6%	5.1%
2014	-0.7%	-1.5%	0.8%
2013	31.1%	18.9%	12.2%
2012	6.6%	2.6%	4.0%
2011	-8.8%	-15.1%	6.3%
2010	15.7%	13.9%	1.8%
2009	17.7%	12.7%	5.0%
2008	-47.5%	-49.9%	2.4%
Since Inc.	-23.4%	-44.0%	20.6%

[1] Performance is net of fees

Top Portfolio Holdings	% of Fund
Aramex	7.4
DP World	6.2
Emaar	6.1
NMC Health	3.9
Dana Gas	3.8
Total # of Holdings	**29**

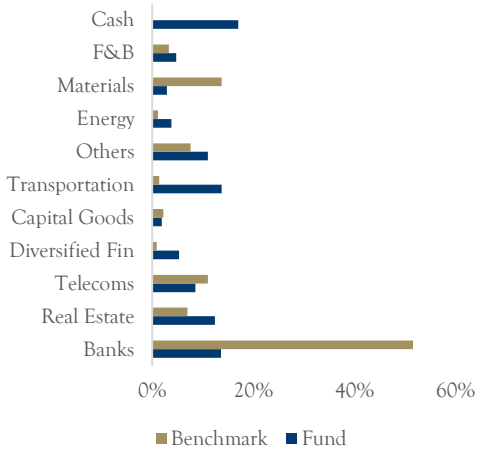
Source: Al Mal internal performance measurement based on reports from third-party administrators (Apex)

Performance	Fund	Benchmark	Relative Perf.
Jan	2.6%	3.0%	-0.4%
Feb	1.2%	0.0%	1.2%
Mar	**-2.5%**	**-3.1%**	1.4%
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
2017	**1.2%**	**-0.2%**	**1.4%**

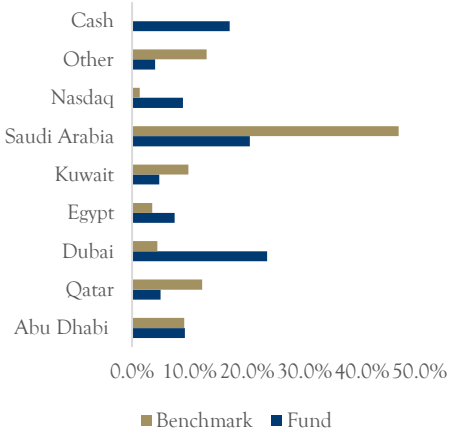
Fund Characteristics[2]	Fund	Benchmark
Standard Deviation	14.7%	14.1%
Sharpe Ratio	-0.10	-0.26
Beta	0.96	-
Tracking Error	5.6%	
Information Ratio	0.44	

[2] Calculated using 5-year weekly data

Sector Allocation



Geographic Allocation



Al Mal UAE Equity Fund– Monthly Factsheet

Al Mal Capital
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29 March 2017

NAV Per Unit: AED 1.28

Same as other MENA markets, March witnessed a correction along with dividend payments. The Fund fell by -1.5% in March v/s. -4.5% decrease for the benchmark. The main event in April was the new FGB-NBAD merger. We like the new entity and we think it will rarely come as straight forward as this one. The bank's cost to income ratio is below 30%, the same old NBAD rating, ~16% sustainable Return on Equity, dividend yield of > 4.0% assuming a dividend cut from 2016 levels and above all backed by Abu Dhabi. We would not bet against the name.

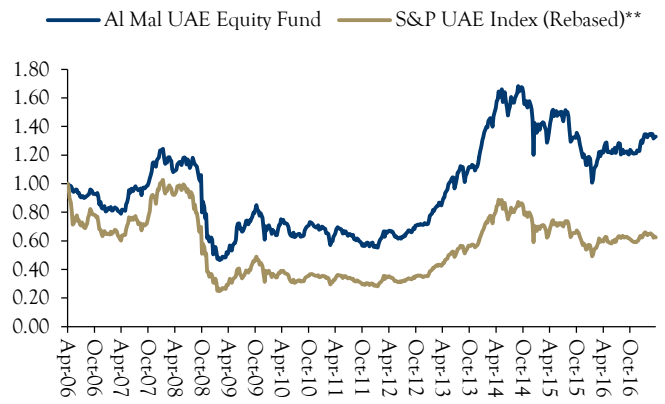
Major Cleaning

Last month we exited 8 positions of our lower conviction ideas and concentrated the portfolio where we have the highest convictions. We still see further room to concentrate our holdings and should only stay focused where we can adequately price risk.

One of the key additions to our UAE strategy was NMC Health. NMC has been growing significantly into more specialty services over the past 2 years and just recently acquired Al Zahra hospital. The management has managed to increase the Return of Employed Capital to >30.0% recently from ~20.0% 4 years ago and at the same time capital invested jumped by more than 3.0 times. This is a management that creates real value to its shareholders.

We also increased our exposure to Aramex where we see huge potentials. 40% of Aramex's revenues is from e-commerce, a market with huge growth potentials across the GCC and Asia. With double digit expected growth and 15.1x 2018 P/E and 3.1% dividends yield we honestly believe the market is not giving the management its true value. One last thought, just ponder how the management doubled its DPS since 2011.

Performance Graph



[1]Benchmark was MSCI UAE Index since inception until Dec 2008, replaced thereafter by S&P UAE Composite Index

Performance[2]	Fund	Benchmark[3]	Relative Performance
MTD	-1.5%	-4.5%	3.0%
YTD	3.6%	0.0%	3.6%
1 Year	8.8%	4.1%	4.7%
3 Year*	-13.1%	-22.4%	9.3%
5 Year*	97.8%	77.0%	20.8%
Since Inc.*	32.9%	-37.6%	70.5%

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

[2] Performance is net of fees; 3-year and 5-year return is cumulative
[3]S&P UAE Composite Index

Fund Key Information

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.

Fund Manager	Marwan Haddad, CFA
Inception Date	5th April 2006
Fund Registration	UAE
Currency	AED
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
ISIN	AEA003630026
Zawya Code	MALEQTY.MF
Bloomberg Code	MALUAEQ UH
Reuters Code	LP65038334
Morningstar Sec ID	F00000JQIN

Al Mal UAE Equity Fund – Monthly Factsheet

Fund Performance[1]

Performance Yearly	Fund	Benchmark	Relative Perf.
YTD 2017	3.6%	0.0%	3.6%
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.	32.9%	-37.6%	70.5%

[1] Performance is net of fees

Performance Monthly	Fund	Benchmark	Relative Perf.
Jan	3.7%	3.6%	0.1%
Feb	1.4%	1.1%	0.3%
Mar	**-1.5%**	**-4.5%**	3.0%
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
2017	**3.6%**	**0.0%**	**3.6%**

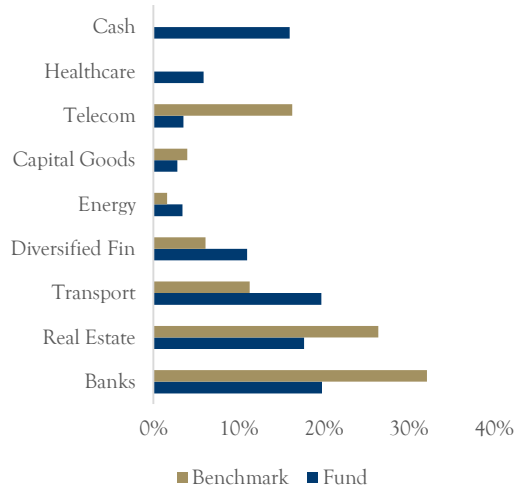
Top Portfolio Holdings	% of Fund
Emaar Properties	12.7
Aramex	11.9
DP World	7.9
Total # of Holdings	**16**

Fund Characteristics[2]	Fund	Benchmark
Standard Deviation	20.5%	22.7%
Sharpe Ratio	0.62	0.45
Beta	0.89	
Tracking Error	4.5%	
Information Ratio	0.35	

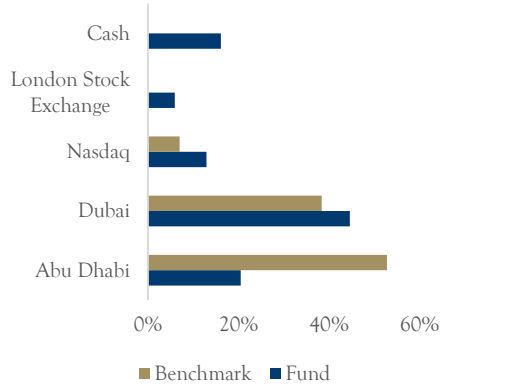
[2] Calculated using 5-year weekly data

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

Sector Allocation



Geographic Allocation



Al Mal MENA Income Fund – Monthly Factsheet

Al Mal Capital
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29 March 2017

NAV Per Unit: USD 12.77

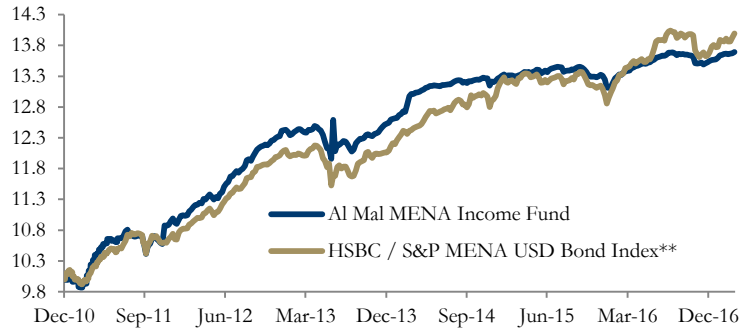
Market Overview & Fund Manager Comments

Al Mal MENA Income Fund was up 0.2% in March. The Fund has delivered returns of 37% since its launch in February 2009.

US 10 year treasury yield was very volatile in March. The yield rose 21 bps to 2.6%, a day prior to the Fed rate hike in mid-March. However, surprisingly, the yield fell to 2.4% area due to higher investor demand for USD treasuries and possibly due to some sort of skepticism to the 'inflation' theme.

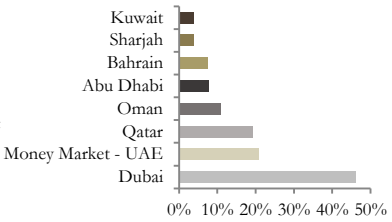
There has been a strong interest in recently launched primary issues with most of them well-bidded. Bank of Sharjah's 5-year issue launched in early March at par received huge interest post the Fed hike and bids are now seen around 102 mark. Damac offered to buy-back its 2019 sukuks at 1.5% premium above par – while this was a fair deal, we believe that over 4% YTM for sukuk maturing in 2 years is still quite attractive to hold. We will continue to see more paper from GCC sovereigns and corporates ahead of imminent Fed hikes.

Performance Graph

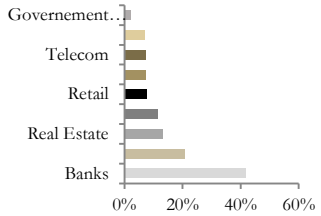


[1]Benchmark was HSBC MENA Bond Index since inception until Dec 2013, replaced thereafter by S&P MENA Bond Index

Geographic Allocation



Sector Allocation



Top Portfolio Holdings	Credit Rating: S&P/Moody	% of Fund
Comm. Bank of Qatar 19	BBB/ A2	8.3
4.25% Batelco	BB-/BB+	7.5
ICD Sukuk	Not Rated	7.5
Total # of Holdings		**23**

Portfolio Analysis	
Portfolio Maturity	3.9 years
Avg. YTM (Gross) of Investments	3.6%
Weighted avg. Rating of Portfolio	BBB

Fund Key Information

Fund Objective:
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 Managers	Al Mal Capital
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 Index	S&P MENA Bond Index
Fund Type	Open Ended
Administrator	Al Mal Capital
Custodian	Al Mal Capital
Financial Year End	31st December
Auditors	Deloitte
Zawya Code	MALMNIF.MF
Bloomberg Code	ALMENAI KY
Reuters Code	LP65154947
Morningstar Sec ID	F00000JQIR

Performance[2]	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD 2017	2016	2015	2014	2013	2012	2011	2010	2009	Since Inception
Al Mal MENA Income Fund (Perf. Inclusive of Dividends.)	0.4%	0.7%	0.2%										1.2%	1.5%	0.9%	5.5%	1.8%	12.6%	7.6%	3.8%	-2.0%	36.9%

Source: Al Mal internal performance measurement based on reports from Al Mal Capital/Operations

[2] Performance is net of fees

Al Mal Liquidity Fund – Monthly Factsheet

Al Mal Capital
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29 March 2017

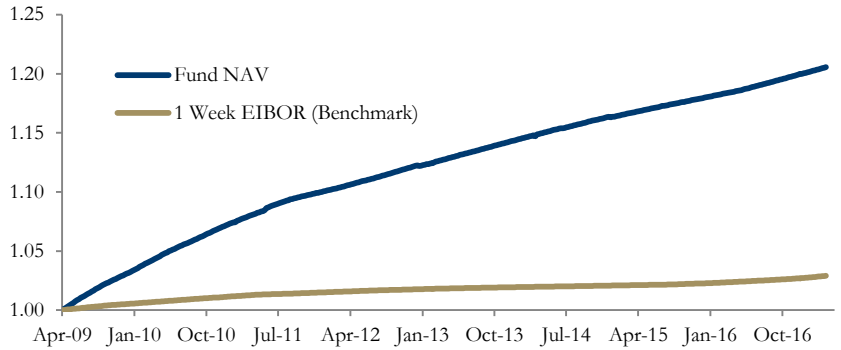
NAV Per Unit: AED 1.21

Market Overview & Fund Manager Comments

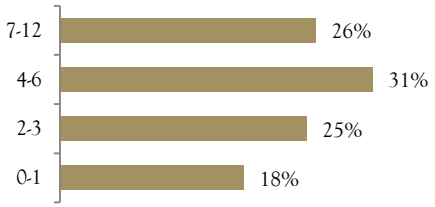
The Al Mal Liquidity Fund was up 0.18% in March, and has delivered returns of c.20.6% since its launch in April 2009.

1-week EIBOR increased 9 bps to 0.84% towards the end of March – much of the hike came around mid-March, right after the Fed rate hike. Fed's projections were unchanged compared to the one made in December as it expects two more 25 bps hike this year and three in 2018. Keeping in mind the Fed outlook, we have positioned the maturity accordingly to take advantage of potentially higher deposit rates (c.43% of the deposits mature in the next 3 months).

Fund Key Information



Months to Maturity



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 liquidity during uncertain and volatile markets

Fund Key Information

Fund Objective:

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 Managers	Al Mal Capital
Inception Date	15th April 2009
Fund Registration	UAE
Currency	AED
Subscription	Weekly
Min Subscription	AED 100,000
Management Fee	0.40%
Redemption	Weekly
Notice Period	3 business days
Fund Type	Open Ended
Administrator	Al Mal Capital
Custodian	Al Mal Capital
Financial Year End	31st December
Auditors	Deloitte
Zawya Code	MALAEDF.MF
Bloomberg Code	AMALLIQ UH
Reuters Code	LP65135775
Morningstar Sec ID	F00000JQIP

Performance[1]	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	2017	2016	2015	2014	2013	2012	2011	2010	Since Inception
Al Mal Liquidity Fund	0.14%	0.14%	0.18%										0.46%	1.7%	1.5%	1.7%	1.9%	2.1%	2.6%	3.8%	20.6%

Source: Al Mal internal performance measurement based on reports from our back office

[2] Performance is net of fees

Disclaimer

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48 Burj Gate, Downtown Dubai, Sheikh Zayed Road, Office 901, P.O. Box 119930, Dubai, UAE Tel +971 4 360 1111, Fax +971 4 360 1122 www.almalcapital.com