

MONTHLY FACT SHEETS

February 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

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Al Mal Investments Funds – Performance Review

Equity Funds

As of 22 February	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 1.30	0.62%	1.41%	5.13%	34.85%
S&P UAE Composite Index			1.02%	1.06%	4.68%	-34.70%
Al Mal MENA Equity Fund	June 2008	USD 7.86	0.90%	1.16%	3.83%	-21.40%
S&P Pan Arab Large Cap Index			0.23%	0.02%	2.98%	-42.17%

Income Funds

As of 22 February	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 12.74	3.58%	0.65%	1.01%	36.63%
Al Mal Liquidity Fund	April 2009	AED 1.20	1.87%	0.14%	0.28%	20.34%

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 UAE Equity Fund– Monthly Factsheet

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NAV Per Unit: AED 1.30

Al Mal UAE Equity Fund was up 1.4% in February v/s. 1.1% increase in S&P UAE Index. Since inception, the Fund has outperformed the benchmark by 69.6%.

Market Overview & Fund Manager Comments

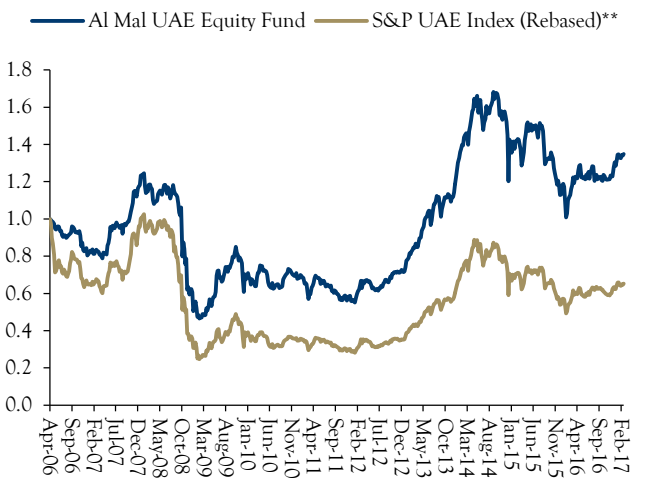
DFM Index was down 0.3% while ADSMI ended month sharply lower, down 5.5%, underperforming the MSCI emerging market index which ended positive 3%.

Q4 earnings season ended on a mixed note with Air Arabia posting first-ever operating loss and a dividend cut, and Drake & Scull and Arabtec surprising markets with massive losses in Q4. These results provide re-assurance to our view that it requires a deep-dive analysis into the industry structure and company's business models to isolate 'quality' from the 'crowd', and that not all 'high dividend-yielding companies' will be able to sustain the yields.

According to the Central Bank data, month-on-month credit growth for the banking sector in January was 0.2%, driven by flat-to-slightly negative growth from private sector as well as GREs, while deposit growth was 0.1%, pointing towards stable liquidity conditions. The Central Bank also issued capital adequacy rules seeking to confirm with Basel III, effective retroactively from 1 Feb 2017. Looking at core capital ratios of major banks, conventional banks seem to be better capitalized v/s. Islamic banks.

The UAE PMI Increased to 56.2 in February v/s. 57.1 in January, which was a 23-month high. The data suggests that while non-oil economic activity continues to be robust, on back of strong growth in output and new orders, this was not being reflected in higher employment yet.

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	1.4%	1.1%	0.3%
YTD	5.1%	4.7%	0.4%
1 Year	16.1%	14.9%	1.2%
3 Year*	-7.6%	-15.9%	8.2%
5 Year*	110.1%	96.8%	13.3%
Since Inc.*	34.9%	-34.7%	69.5%

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	Al Mal Capital
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	5.1%	4.7%	0.4%
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.	34.9%	-34.7%	69.5%

[1] Performance is net of fees

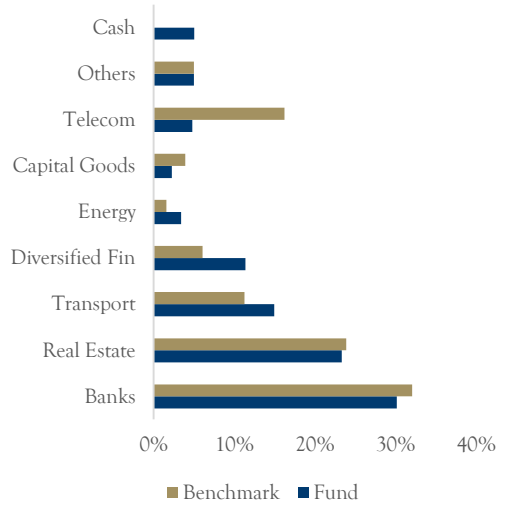
Performance Monthly	Fund	Benchmark	Relative Perf.
Jan	3.7%	3.6%	0.1%
Feb	1.4%	1.1%	0.3%
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
2017	**5.1%**	**4.7%**	**0.4%**

Top Portfolio Holdings	% of Fund
Emaar Properties	12.9
ADCB	9.5
Aramex	8.3
NBAD	7.7
DP World	6.6
Total # of Holdings	**23**

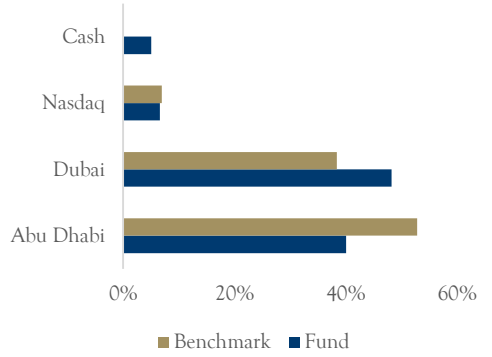
Fund Characteristics[2]	Fund	Benchmark
Standard Deviation	20.9%	23.3%
Sharpe Ratio	0.63	0.48
Beta	0.88	
Tracking Error	4.7%	
Information Ratio	0.17	

[2] Calculated using 5-year weekly data

Sector Allocation



Geographic Allocation



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

Al Mal MENA Equity Fund – Monthly Factsheet

Al Mal Capital
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22 February 2016

NAV Per Unit: USD 7.86

Al Mal MENA Equity Fund was up 1.2% in February v/s. 0.02% Increase in the S&P Pan Arab Index. The Fund has outperformed the benchmark by 20.8% since its launch in June 2008.

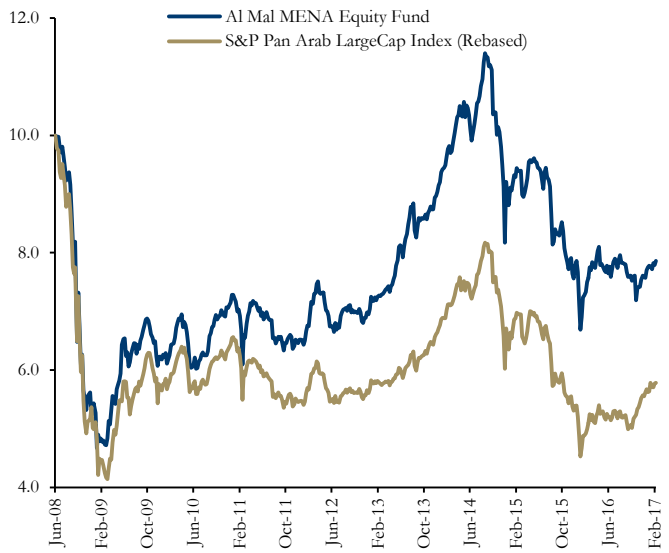
Market Overview & Fund Manager Comments

Regional markets were down month-on-month in February, except Qatar, which was up 1%. Subdued Q4 earnings season, coupled with weakness in oil, prices led to the decline.

We spoke to management of Saudi companies from various sectors to hear their outlook for rest of the year. There was a one common theme across the board – companies were not willing to commit to expansion capex, and the most had very modest growth expectations in 2017, given uncertainties on pending payments by the government, concerns over impact on consumer demand due to expat levies. In the banking sector, liquidity situation appears to be quite comfortable, post the international bond issuance by the government and as demand for corporate loans is restricted to flat-to-low single digit growth. We continue to see opportunities in the under-penetrated insurance sector. In Qatar, the banking sector trends suggest that domestic liquidity is quite stretched. Domestic month-on-month credit growth in Jan was 1.2%, while deposit shrank by 1.3%, leading to domestic LDR of 140%. In Egypt, inflation accelerated above 30% in February, although the pace of increase on month-on-month basis slowed-down, which was a encouraging sign.

PMI data points in Egypt improved to 46.7 in February compared to 43.3 in January, the highest reading in six months. Saudi PMI rose to 18-month high to 57.0 v/s. 56.7 in January due to improved liquidity, partial payment of arrears by the Government and improved sentiments due to higher oil prices.

Performance Graph



Performance[1]	Fund	Benchmark[2]	Relative Perf.
MTD	1.2%	0.0%	1.2%
YTD	3.8%	3.0%	0.8%
1 Year	4.8%	15.9%	-11.1%
3 Years	-20.0%	-18.8%	-1.2%
5 Year	12.9%	-0.1%	13.0%
Since Inc.	-21.4%	-42.2%	20.8%

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	Al Mal Capital
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	3.8%	3.0%	0.8%
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.	-21.4%	-42.2	20.8%

[1] Performance is net of fees

Top Portfolio Holdings	% of Fund
Dubai Islamic Bank	6.9
Emaar	6.2
Ooredoo QSC	4.9
ADCB	4.8
Aramex	4.8
Total # of Holdings	**38**

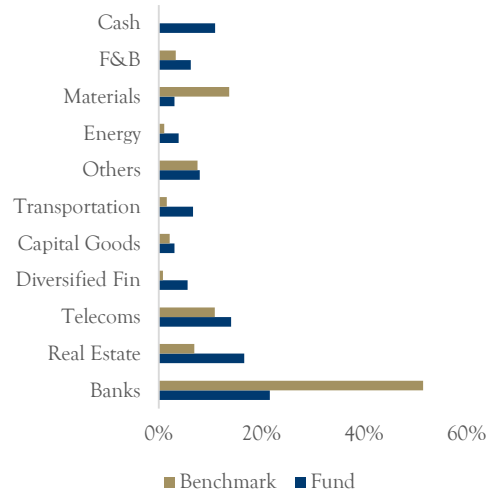
Source: Al Mal internal performance measurement based on reports from third-party administrators (Apex)

Performance	Fund	Benchmark	Relative Perf.
Jan	2.6%	3.0%	-0.4%
Feb	1.2%	0.0%	1.2%
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
2017	**3.8%**	**3.0%**	**0.8%**

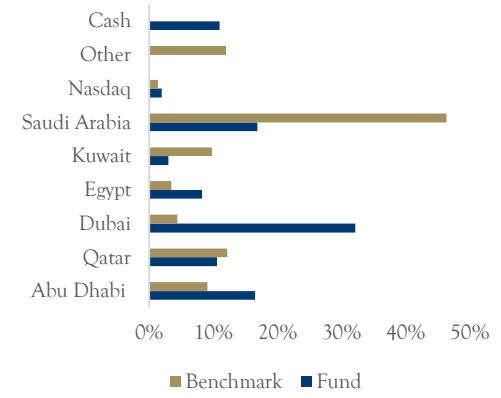
Fund Characteristics[2]	Fund	Benchmark
Standard Deviation	14.8%	14.2%
Sharpe Ratio	0.04	-0.14
Beta	0.97	-
Tracking Error	5.6%	
Information Ratio	0.49	

[2] Calculated using 5-year weekly data

Sector Allocation



Geographic Allocation



Al Mal MENA Income Fund – Monthly Factsheet

Al Mal Capital
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NAV Per Unit: USD 12.74

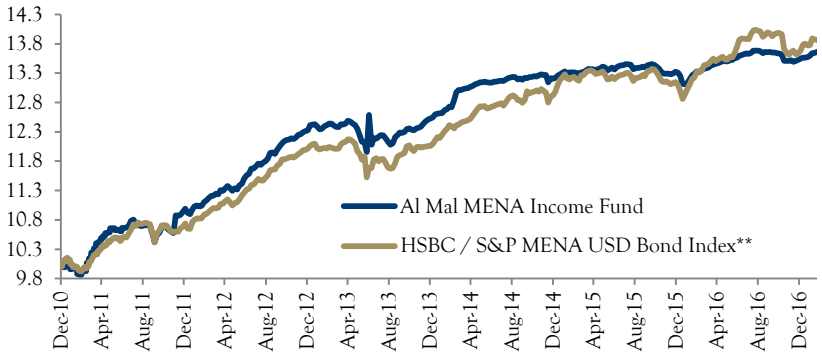
Market Overview & Fund Manager Comments

Al Mal MENA Income Fund was up 0.7% in February. The Fund has delivered returns of 36.6% since its launch in February 2009.

US 10 year treasury yield continued to inch upwards in beginning of March towards 2.5% area, as it became clear from the Fed announcements that the March hike is imminent, supported by strong U.S. employment data.

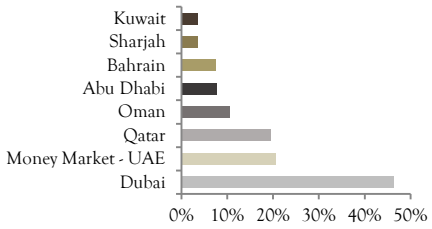
We continue to witness influx of primary market issues from both GCC sovereigns as well as corporates. On the sovereign side, Kuwait issued USD 8 billion in its debut bond in 5-year and 10-year tenors priced at 2.75% and 3.5%, respectively. The issue was well received with order books of over 3x. Apart from Kuwait, we expect Oman, Government of Dubai, and Bahrain to print more paper this year. On the corporate side, Bank of Sharjah issued 5-year bond at 4.23% while we Majid Al Futtaim, Warba Bank and Qatar Insurance to issue new paper this year.

Performance Graph

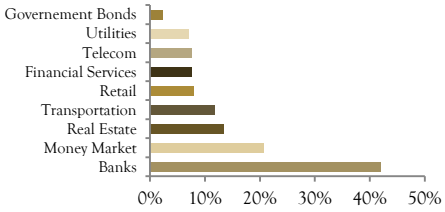


[1]Benchmark was HSBC MENA Bond Index since inception until Dec 2013, replaced thereafter by S&P MENA Bond Index

Geographic Allocation



Sector Allocation



Top Portfolio Holdings	Credit Rating: S&P/Moody	% of Fund
Comm. Bank of Qatar 19	BBB/ A2	8.4
4.25% Batelco	BB-/BB+	7.5
ICD Sukuk	Not Rated	7.5
Total # of Holdings		**23**

Portfolio Analysis

Portfolio Maturity	4.0 years
Avg. YTM (Gross) of Investments	3.8%
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	2017	2016	2015	2014	2013	2012	2011	2010	2009	Since Inception
Al Mal MENA Income Fund (Perf. Inclusive of Dividends.)	0.4%	0.7%											1.0%	1.5%	0.9%	5.5%	1.8%	12.6%	7.6%	3.8%	-2.0%	36.6%

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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22 February 2016

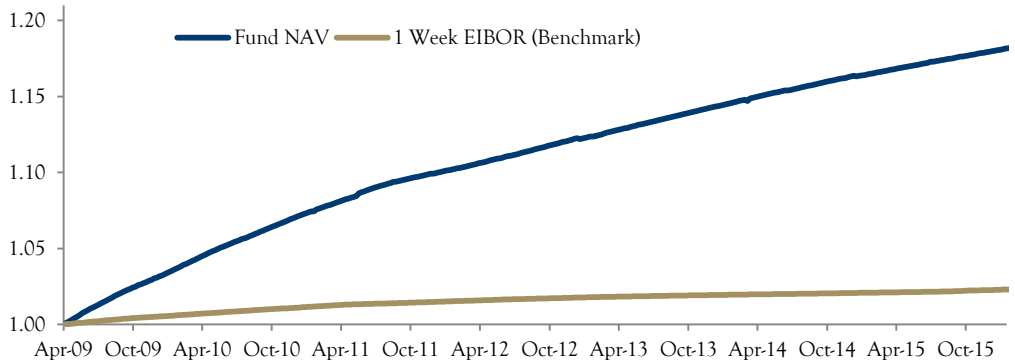
NAV Per Unit: AED 1.20

Market Overview & Fund Manager Comments

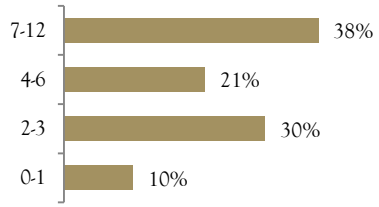
The Al Mal Liquidity Fund was up 0.14% in February, and has delivered returns of c.20.3% since its launch in April 2009.

1-week EIBOR increased 5 bps to 0.75% towards the end of February as March Fed hike began to price-in. However, due to prevailing comfortable liquidity situation, the EIBOR eased back to 0.70% levels around early March.

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%											0.28%	1.7%	1.5%	1.7%	1.9%	2.1%	2.6%	3.8%	20.3%

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

[2] Performance is net of fees

Disclaimer

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