

MONTHLY FACT SHEETS

February 2018

LET THE FALCON GUIDE YOU

Al Mal UAE Equity Fund

Al Mal MENA Equity Fund

المال كابيتال
Al Mal Capital

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Al Mal Investments Funds – Performance Review

Equity Funds

As of 28 February	Launch Date	NAV Per Unit[1]	Week To Date	Month To Date	YTD 2018	1 Year	Since Inception
Al Mal UAE Equity Fund (Performance Inclusive of Dividends)	April 2006	AED 1.36	-0.59%	-0.87%	5.71%	9.12%	46.36%
S&P UAE Composite Index			-0.65%	-2.80%	1.68%	-3.03%	-37.59%
Al Mal MENA Equity Fund	June 2008	USD 9.52	0.42%	0.63%	10.57%	27.91%	-1.38%
S&P Pan Arab Composite Index			-0.98%	-2.08%	3.70%	2.52%	-40.75%

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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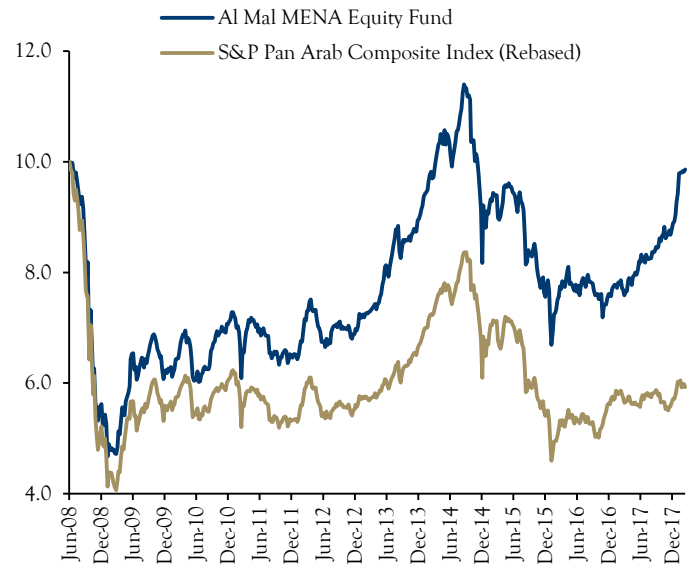
28 February 2018

NAV Per Unit: USD 9.52

The S&P Pan Arab index took a breather in February as the benchmark fell by -2.1%. Meanwhile, the Fund recorded another positive month of performance with a gain of +0.6%. This brings the year to date performance to +10.6% (alpha: +6.9%). On a rolling 12 month basis, the performance now stands at +25.4% against +2.5% for the benchmark. We continue to run a high conviction, bottom-up fundamental approach with an active share of nearly 90% (ex-post tracking error: 6%).

Our meeting with MM Group:
We met the management of **MM Group (MTI)** again a few days ago and we must admit that they delivered on many of their promises since listing last year, even exceeding (and by far) our already optimistic expectations. In a country with a population of 100 million and with the help of a very passionate and experienced management team, MTI is well positioned to capture the recovery in consumer demand. In addition of being one of the two Vodafone's distributors, the company is a consumer electronics distribution giant. It is the largest distributor of Samsung and Huawei mobiles capturing consumers' demand along the whole value chain. Recently it added Freetel as the sole distributor of the Japanese value smart phone as well as Bosch Siemens home appliances, leveraging on the free trade agreement with the European Union. But what is making us very excited about this name is the way they have been adding consumer finance to their franchise. Indeed, they have been building their presence in consumer and micro-finance for 7 years now and by the second half of 2018 they should start reaping the benefits. With access to more than 40,000 dealers the growth potential from being at the same time a supplier and financing arm is huge. Last but not least, despite the rally current valuations are still very attractive.

Performance Graph



Performance[1]	Fund	Benchmark[2]	Relative Perf.
MTD*	0.6%	-2.1%	2.7%
YTD*	10.6%	3.7%	6.9%
1 Year	27.9%	2.5%	25.4%
3 Years	5.0%	-16.7%	21.7%
5 Year	35.3%	4.3%	31.0%
Since Inc.	-1.4%	-40.8%	39.4%

** As of the last Wednesday of every month (28th of February, 2018)*
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 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 2018	10.6%	3.7%	6.9%
2017	17.8%	1.3%	16.5%
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.	-1.4%	-40.8%	39.4%

[1] Performance is net of fees

Top Portfolio Holdings	% of Fund
Malath Insurance	9.2
MM Group	7.8
IBNSINA Pharma	6.7
NMC Healthcare	6.6
Aramex	6.4
Total # of Holdings	**25**

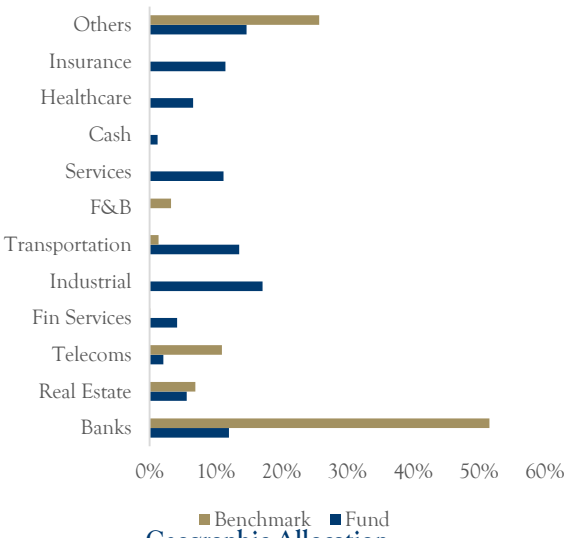
Source: Al Mal internal performance measurement based on reports from third-party administrators (Apex)

Performance	Fund	Benchmark	Relative Perf.
Jan	9.9%	5.9%	4.0%
Feb	0.6%	-2.1%	2.7%
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
2018	**10.6%**	**3.7%**	**6.9%**

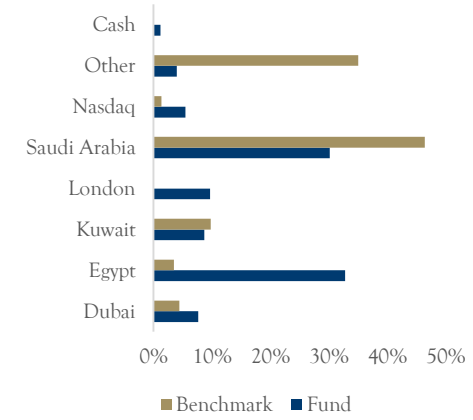
Fund Characteristics[2]	Fund	Benchmark
Standard Deviation	14.6%	14.5%
Sharpe Ratio	0.29	-0.09
Beta	0.91	-
Tracking Error	6.5%	
Information Ratio	0.85	

[2] Calculated using 5-year weekly data

Sector Allocation



Geographic Allocation



Al Mal UAE Equity Fund– Monthly Factsheet

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28 February 2018

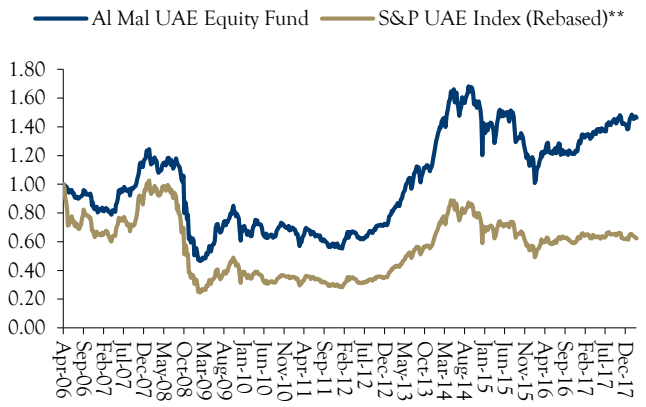
NAV Per Unit: AED 1.36

The UAE is out of favor again with the benchmark retreating by -2.8% during the month of February. It seems that investors' focus on Saudi and Egypt is pulling flows away from the UAE. Moreover, the weakness of some real estate names is weighing on sentiment. On our side, we continue to find some attractive growth stories such as **NMC** and **Aramex**. The Fund is up +5.7% year-to-date (alpha: +4.0%). On a rolling 12-month basis, the Fund is up +9.1% (after fees) despite the market being down -3%.

Aramex or the power of logistics:

Aramex – the international express and freight forwarding company. The company reported an excellent set of results for the fourth quarter and the stock price has reacted very positively, gaining 13%. The stock rebound is taking place after the shares had been under a lot of pressure following the departure of the CEO. The new CEO Mr. Bashar Obeid has been previously the CFO for many years and knows the company inside out. We are comfortable with the transition and believe some restructuring will unlock more value and bring in more operational efficiencies into 2018. The company is very well poised to command a high share of the ecommerce value chain, a segment which is expected to grow at very high rate and which is expected to accounts for a larger share of revenue in the coming years. Through its extensive distribution network and long track record, as well as the partnering and agreements with top online retailers such as Amazon and Souq.com, Aramex is positioning itself to evolve as a 'tech company' instead of a logistics business. Last but not least, we were also encouraged by the pick-up in activity across MENA, a region where Aramex growth has been muted for around 2 years. To sum up, it is rare to find strong growth profile trading at attractive valuations; Aramex is one of them and we believe there is a lot of upside.

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	-0.9%	-2.8%	1.9%
YTD	5.7%	1.7%	4.0%
1 Year	9.1%	-3.0%	12.1%
3 Year*	4.6%	-10.3%	14.9%
5 Year*	73.6%	47.1%	26.5%
Since Inc.*	46.4%	-37.6%	84.0%

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

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Fund Performance[1]

Performance Yearly	Fund	Benchmark	Relative Perf.
YTD 2018	5.7%	1.7%	4.0%
2017	7.8%	-1.6%	9.4%
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.	46.4%	-37.4%	84.0%

[1] Performance is net of fees

Performance Monthly	Fund	Benchmark	Relative Perf.
Jan	6.7%	4.6%	2.1%
Feb	-0.9%	-2.8%	1.9%
Mar			
Apr			
May			
Jun			
Jul			
Aug			
Sep			
Oct			
Nov			
Dec			
2018	5.7%	1.7%	4.0%

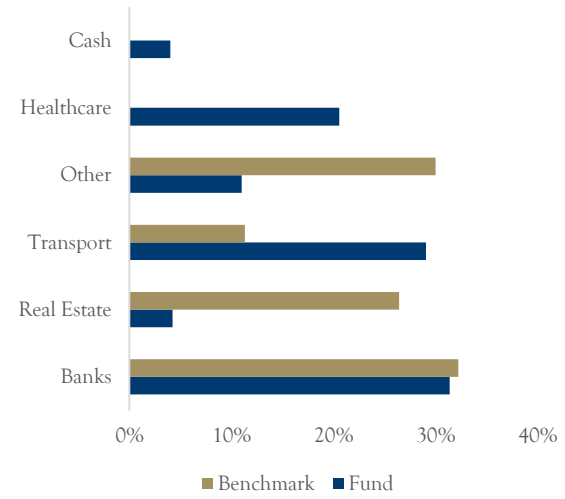
Top Portfolio Holdings	% of Fund
NMC Health	20.6
FAB	16.9
Aramex	15.9
Total # of Holdings	**9**

Fund Characteristics[2]	Fund	Benchmark
Standard Deviation	20.3%	22.5%
Sharpe Ratio	0.47	0.26
Beta	0.88	-
Tracking Error	5.1%	
Information Ratio	0.49	

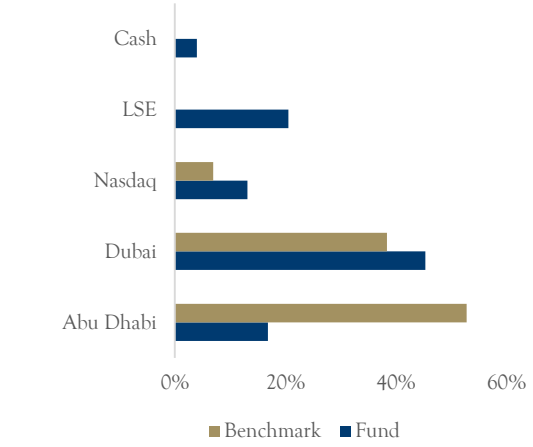
[2] Calculated using 5-year weekly data

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

Sector Allocation



Geographic Allocation



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