Al Mal MENA Equity Fact Sheet

June 2024

NAV Per Unit: USD 12.66

Fund Manager Commentary

In our region, GCC countries have announced their fiscal plans for 2024, emphasizing elevated spending despite revenue challenges. Governments in the region are prioritizing expansive budgets for healthcare, education, and infrastructure, alongside substantial investments in infrastructure and construction. A significant focus is also placed on realigning non-oil sectors to enhance economic contributions going forward.

The UAE economy exhibited stronger growth in 2023 than initially estimated, driven by robust expansion in the non-oil sector. The economy grew by 3.6% last year, surpassing the Central Bank of the UAE's fourth-quarter estimate of 3.1%. However, growth projections for 2024 have been revised downwards to 3.9% from the previous estimate of 4.2%. In contrast, S&P Global Ratings anticipates Saudi Arabia's Vision 2030 initiatives to fuel robust credit growth over the coming years. The UAE has risen by 3 places to 7th globally in the 2024 World Competitiveness Report while Saudi Arabia's ongoing economic diversification efforts have lifted the country to the 16th spot in the same report.

Saudi had an active IPO flow with 5 companies going public from different sectors. We saw Dr. Soliman Abdulkader Fakeeh, Miahona, Saudi Manpower solutions, RASAN information technologies and Al Taiseer group Talco industries go public in the month of June.

We believe that markets will turn back as investor look at improved valuation in quality stocks. Cash levels came back to 1% due to participation in IPOs. The fund remains well diversified with 36 names with financials accounting for 23% of the fund. The top 3 holdings constitute 14.7% of the fund. At the end of June 2024, the fund continued to outperform the market as the fund recorded a growth of YTD of 1.7% as compared to the benchmark index performance of (4.2%) on YTD basis.

Objective

Achieve capital appreciation, primarily through investment in equity and equity related securities in the Middle East and North African markets.

Performance[1]	Fund	Benchmark[2]	Alpha
1 Month	5.0%	1.8%	3.2%
YTD*	1.7%	-4.2%	5.9%
2023	23.1%	6.8%	16.3%
2022	-0.9%	-8.1%	7.2%
2021	29.8%	29.1%	0.7%
Since Inc.	65.4%	-22.0%	87.4%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 30th June 2024

Holding	Top 5 Holdings	% of Fund
Sustained Infrastructure Holding Company		5.0
Al Khorayef Water and Power Technologies Company		5.0
ELM Company		4.7
ADNOC DRILLING Company		4.2
Saudi National Bank		4.1

Fund Analysis

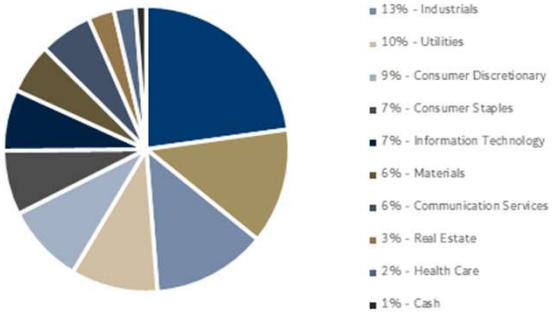
Matrix[4]	Fund	Benchmark
Standard Deviation	11%	11.7%
Tracking Error	5.3%	
Beta	0.8	
No. of Holdings	36	

[4] Calculated using 3-year weekly data

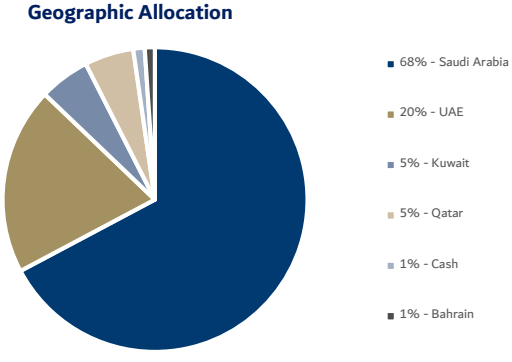
Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 25.6 million
Strategy Size	USD 250 million
Domicile	Bahrain
Currency	USD
Subscription & Redemption	Weekly
Min Subscription	USD 50,000
Bloomberg Code	MALMENE BI
Management Fee	1.75%
Benchmark Index	S&P Pan Arab Composite
Fund Type	Open Ended
Administrator	Apex
Custodian	Standard Chartered

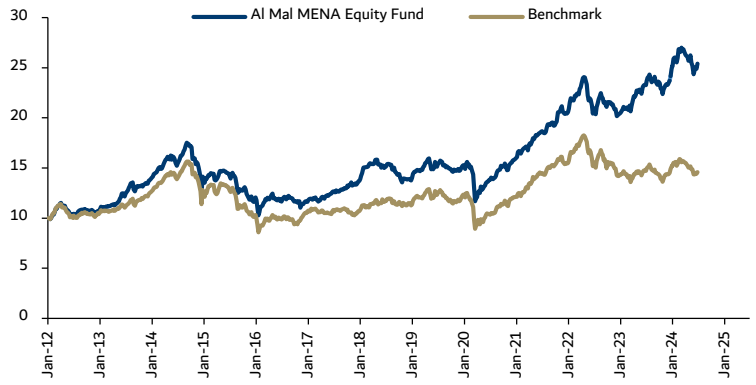
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

June 2024

NAV Per Unit: AED 1.74

Fund Manager Commentary

In our region, GCC countries have announced their fiscal plans for 2024, emphasizing elevated spending despite revenue challenges. Governments in the region are prioritizing expansive budgets for healthcare, education, and infrastructure, alongside substantial investments in infrastructure and construction. A significant focus is also placed on realigning non-oil sectors to enhance economic contributions going forward.

The UAE economy exhibited stronger growth in 2023 than initially estimated, driven by robust expansion in the non-oil sector. The economy grew by 3.6% last year, surpassing the Central Bank of the UAE's fourth-quarter estimate of 3.1%. However, growth projections for 2024 have been revised downwards to 3.9% from the previous estimate of 4.2%. In contrast, S&P Global Ratings anticipates Saudi Arabia's Vision 2030 initiatives to fuel robust credit growth over the coming years. The UAE has risen by 3 places to 7th globally in the 2024 World Competitiveness Report while Saudi Arabia's ongoing economic diversification efforts have lifted the country to the 16th spot in the same report.

We witness the first education technology company, Alef Education, debut in the Abu Dhabi Exchange just before Eid-al adha holidays. Alef raised 1.89 billion dirhams.

We believe that markets will turn back as investor look at improved valuation in quality stocks.. The fund remains well diversified with 30 names with financials accounting for 26% of the fund. The top 3 holdings constitute 21.2% of the fund. At the end of June 2024, the fund continued to outperform the market as the fund grew YTD 0.7% as compared to the benchmark index performance of (6.2%) on YTD basis.

Objective

Achieve medium to long-term capital growth by investing primarily in equities listed on the UAE Exchange.

Fund Performance

Performance[1]	Fund	Benchmark[2]	Relative Perf.
1 Month	3.8%	4.2%	-0.4%
YTD*	0.7%	-6.2%	6.9%
2023	14.5%	3.5%	11.0%
2022	6.2%	1.8%	4.4%
2021	32.4%	37.7%	-5.3%
Since Inc.	137.2%	-30.7%	167.9%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 30th June 2024

Top 3 Holdings

Holding	% of Fund
Adnoc Drilling Company	7.6
Abu Dhabi Ports	6.8
Adnoc Logistics and Services	6.8

Fund Analysis

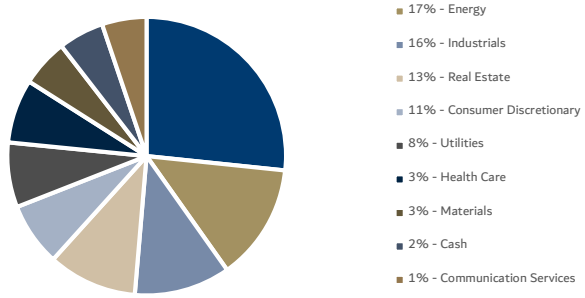
Matrix[4]	Fund	Benchmark
Standard Deviation	10.2%	14.1%
Tracking Error	6.6%	
Beta	0.6	
No. of Holdings	30	

[4] Calculated using 3-year weekly data

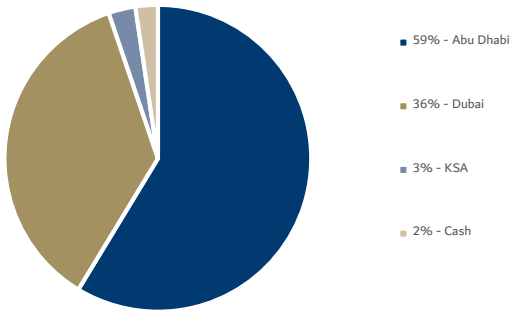
Fund Information

Fund Manager	Faisal Hasan, CFA
Fund Size	AED 49 million
Domicile	UAE
Currency	AED
Subscription & Redemption	Weekly
Min Subscription	AED 40,000
Management Fee	1.50%
Performance Fee	20% over 10% hurdle with high watermark
Financial Year End	31st December
Benchmark Index	S&P UAE Domestic 10% Capped Index
Fund Type	Open Ended
Administrator & Custodian	Standard Chartered

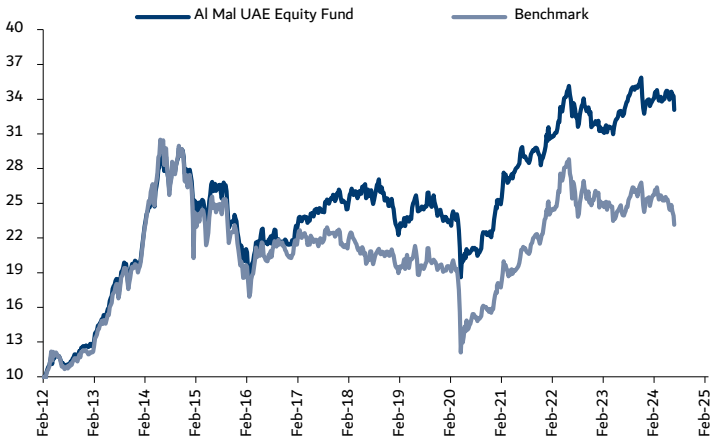
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10Y Fund Strategy Performance



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