Al Mal MENA Equity Fact Sheet

January 2025

NAV Per Unit: USD 12.53

Fund Manager Commentary

GCC equity markets started the year on a positive note, in line with most other global indices that witnessed gains at the start of the year, reversing the declines seen during December-2024. Saudi Arabia market recorded a gain of 3.1% followed by UAE markets, Abu Dhabi and Dubai, with marginal gains of 1.8 and 0.4%, respectively. Global equity markets witnessed gains with the MSCI ACWI up by 3.3% during January-2025 led by gains in most key global markets.

Saudi Arabia's economy grew 4.4% year-on-year in the fourth quarter, driven by a 4.6% expansion in the non-oil sector. The non-oil sector's growth is attributed to the government's Vision 2030 strategy, which involves investing heavily in various industries to diversify the economy. The oil industry, still a significant contributor to the economy, grew 3.4% in the fourth quarter, despite OPEC+ production cuts. The Saudi construction sector is expected to achieve a compound annual growth rate of between 3.5% and 4.5% until 2026 – cites KSA's strategic focus on infrastructure expansion, housing development, and tourism. We are looking at building up positions in these sectors.

In another reforms, Kuwait is expected to approve a new law allowing it to sell debt for the first time in eight years, potentially raising 20 billion dinars over 50 years ($65b). The law would enable the country to issue both conventional bonds and Islamic Sukuk, and would allow Kuwait to tap bond markets when required. The move is seen as a key step towards reform and development, as Kuwait seeks to fund key projects and plug its fiscal deficit, with the IMF predicting the country's debt-to-GDP ratio to rise to 25% by 2029. We will be looking at Kuwait with interest in line with the upcoming reforms.

However, the coming months are expected to be volatile as US started announcing tariff which will have implication on global economic trade and financial markets.

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	2.7%	3.2%	-0.5%
YTD*	2.7%	3.2%	-0.5%
2024	3.0%	1.9%	1.1%
2023	23.1%	9.8%	13.3%
2022	-0.9%	-5.9%	5.0%
Since Inc.	73.4%	-14.1%	87.5%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 29th January 2025

Holding	Top 5 Holdings	% of Fund
Emaar Properties		5.1
Sustained Infrastructure Holding Company		4.3
Saudi Ground Services Company		4.2
ELM Company		4.0
Saudi National Bank		3.9

Fund Analysis

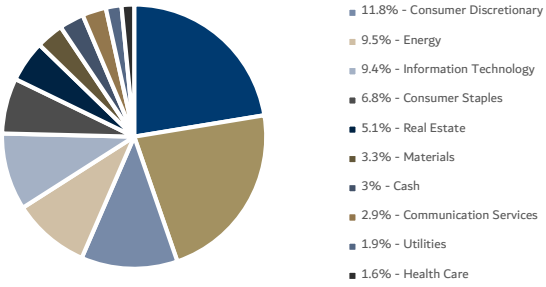
Matrix[4]	Fund	Benchmark
Standard Deviation	11.1%	11.9%
Tracking Error	5.3%	
Beta	0.8	
No. of Holdings	38	

[4] Calculated using 3-year weekly data

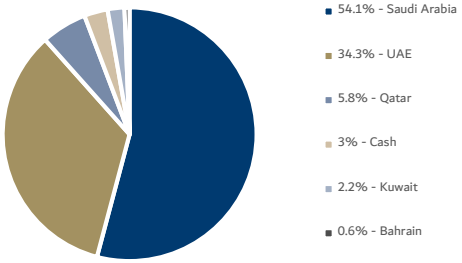
Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 24.4 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

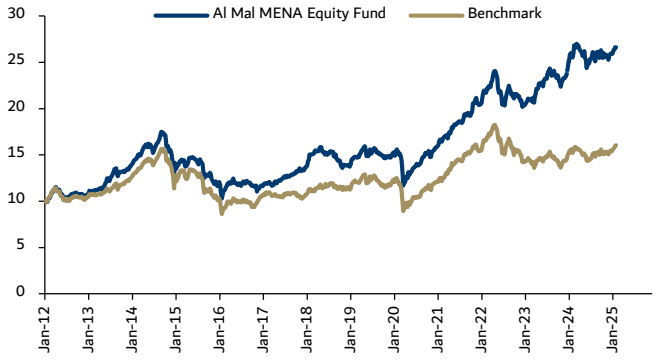
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

January 2025

NAV Per Unit: AED 1.93

Fund Manager Commentary

GCC equity markets started the year on a positive note, in line with most other global indices that witnessed gains at the start of the year, reversing the declines seen during December-2024. Saudi Arabia market recorded a gain of 3.1% followed by UAE markets, Abu Dhabi and Dubai, with marginal gains of 1.8%and 0.4%, respectively. Global equity markets witnessed gains with the MSCI ACWI up by 3.3% during January-2025 led by gains in most key global markets.

IMF projects UAE to maintain an economic growth of around 4 percent in 2025 as it highlighted the country's economic resilience and outlined the key factors driving its economic performance. Near-term growth is strong and expected to remain healthy at around 4 percent in 2025, despite lower-than-expected oil production related to OPEC+ agreements, according to IMF. Besides, UAE banks' long-term intrinsic creditworthiness is likely to strengthen due to new credit risk management standards introduced by the Central Bank of the UAE in 4Q24 according to Fitch Ratings.

Emaar which is our biggest position, confirmed that it was engaged in discussions with India-based investors, including Adani Group, for a potential stake sale in its subsidiary Emaar India. In another announcement that shows strong interest in UAE real estate, ALDAR announced Manarat Living III, the final edition of its design-led urban collection on Saadiyat Island was sold out in just 24 hours, generating AED 940 million in sales. Emirates NBD reported 4Q net profit of AED 4bn (-23% QoQ/ flat YoY) driven by lower non-funded income and higher opex . Market was little disappointed with FY24 dividend of AED 1 per share.

However, the coming months are expected to be volatile as US started announcing tariff which will have implication on global economic trade and financial markets.

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	-0.2%	2.2%	-2.4%
YTD*	-0.2%	2.2%	-2.4%
2024	17.9%	12.2%	5.7%
2023	14.5%	7.6%	6.9%
2022	6.2%	5.4%	0.8%
Since Inc.	179.3%	-14.2%	193.5%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 29th January 2025

Top 3 Holdings

Holding	% of Fund
Emaar Properties	8.2
Dubai Islamic Bank	6.1
Abu Dhabi Islamic Bank	6.0

Fund Analysis

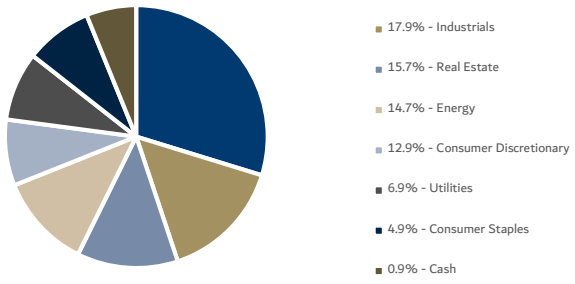
Matrix[4]	Fund	Benchmark
Standard Deviation	9.4%	13.6%
Tracking Error	6.1%	
Beta	0.6	
No. of Holdings	25	

[4] Calculated using 3-year weekly data

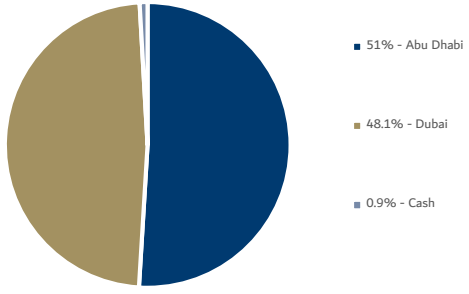
Fund Information

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

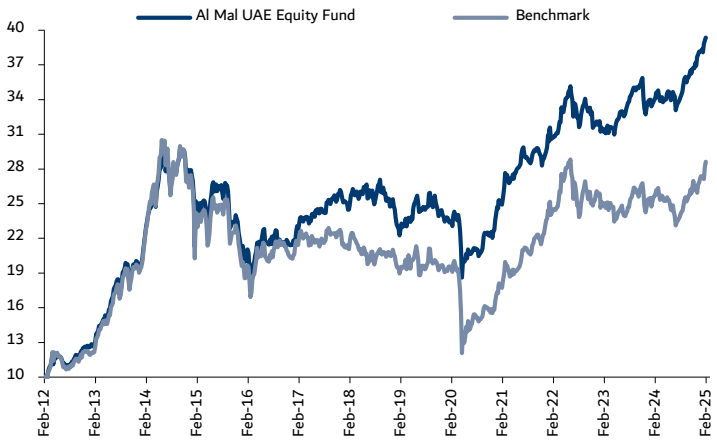
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10Y Fund Strategy Performance



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