Al Mal MENA Equity Fact Sheet

May 2025

NAV Per Unit: USD 11.78

Fund Manager Commentary

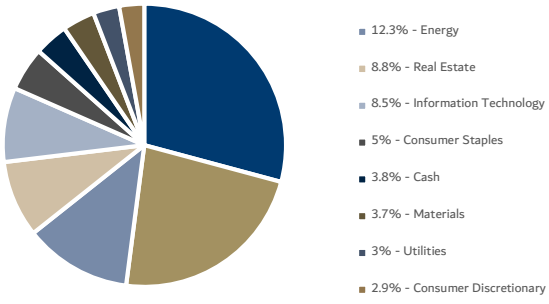
May 2025 presented a complex economic landscape for the global markets, and they continue to experience volatility influenced by U.S. trade policies. A federal court ruling deemed former President Donald Trump's broad use of tariffs under the International Emergency Economic Powers Act illegal, leading to a surge in global markets. However, an appeals court temporarily reinstated the tariffs, contributing to market uncertainty. However, it is to be noted the on YTD basis S&P500 and NASDAQ have recovered the steep losses that happened when the tariffs were announced. S&P 500 posted its best May since 1990, rising 6%, while Nasdaq Composite gained 3.7% and nearly 10%, respectively.

GCC economies navigated a complex landscape marked by global trade tensions and fluctuating oil prices. In its regional outlook, IMF revised its 2025 growth forecast for the region to 3%, down from 4.2%, citing rising global uncertainties, including trade wars and declining oil prices. Despite these challenges, the GCC's commitment to economic diversification, particularly through initiatives like Saudi Arabia's Vision 2030 and the UAE's investments in non-oil sectors, provided a buffer against external shocks. Notably, President Trump's May visit to Saudi Arabia, Qatar, and the UAE underscored the deepening economic and technological ties between the U.S. and the GCC, with a focus on artificial intelligence and data center infrastructure.

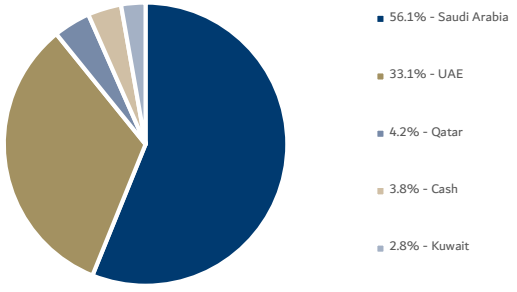
GCC stock markets reflected the broader economic uncertainties, as Dubai stock market index was up around 3.5% while the Saudi Index recorded a loss of 4.8% in May-2025. Kuwait stock market, in anticipation of reforms and new laws are leading in terms of YTD gains in GCC with the gain of 12.3% recorded till May-2025. The broader S&P Pan Arab Composites Index which we use as benchmark was down 1.4% in May while it is down 0.8% on YTD basis. On the corporate profits, net profits reported companies listed on GCC exchanges increased by 2.0% y-o-y during Q1-2025 to reach USD 58.6 Bn as compared to USD 57.4 bn in Q1-2024 according to research by KAMCO.

Capital markets activity remained robust, with 11 GCC IPOs raising a total of $1.6 billion in the first quarter of 2025, a 33% increase compared to the same period in 2024. We saw Dubai Residential REIT, launched by Dubai Holding, made a significant debut on the Dubai Financial Market (DFM) on 28 May 2025. The initial public offering (IPO) raised AED2.145bn, marking it as the largest REIT IPO in the GCC to date. The offering was oversubscribed by 26 times, prompting an increase in the offering size from 12.5% to 15% of the issued unit capital. On its first trading day, the REIT's unit price surged by more than 13%, evincing strong investor interest. We continue to participate in the IPOs to provide diversification to our portfolios.

Sector Allocation



Geographic Allocation



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	-2.5%	-1.4%	-1.1%
YTD*	-3.4%	-0.8%	-2.6%
2024	3.0%	1.9%	1.1%
2023	23.1%	9.8%	13.3%
2022	-0.9%	-5.9%	5.0%
Since Inc.	63.1%	-17.5%	80.6%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 28th May 2025

Holding	Top 5 Holdings	% of Fund
Emaar Properties		6.2
Saudi National Bank		5.0
Abu Dhabi Islamic Bank		4.2
Dubai Taxi Company		4.0
ADNOC Logistics and Services		4.0

Fund Analysis

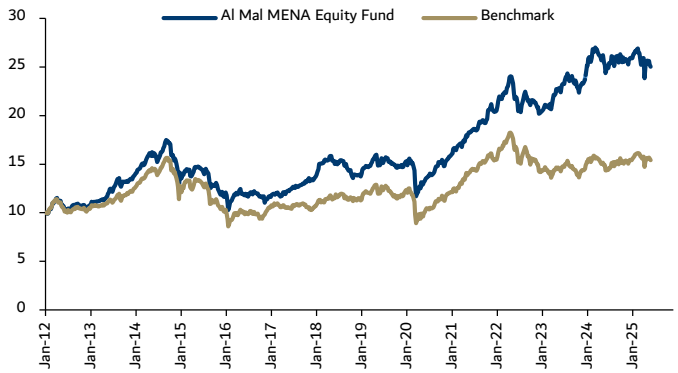
Matrix[4]	Fund	Benchmark
Standard Deviation	12.3%	12.4%
Tracking Error	5.8%	
Beta	0.9	
No. of Holdings	31	

[4] Calculated using 3-year weekly data

Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 23 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

10Y Fund Strategy Performance



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Al Mal UAE Equity Fact Sheet

May 2025

NAV Per Unit: AED 2.01

Fund Manager Commentary

May 2025 presented a challenging yet resilient picture for global markets, driven by developments in U.S. trade policy. A federal court ruling invalidated former President Trump's expansive use of tariffs under the International Emergency Economic Powers Act, sparking a short-lived rally across global equity markets. However, the uncertainty returned as an appeals court temporarily reinstated the tariffs, clouding investor sentiment. Despite this, U.S. equities showed strong recovery, with both the S&P 500 and Nasdaq fully reversing earlier losses. The S&P 500 recorded its best May performance since 1990, rising 6%, while the Nasdaq Composite climbed nearly 10%, supported by a rebound in technology and consumer sectors. In UAE, the S&P UAE Domestic 10% Capped Index posted a strong YTD 7.5% gain year-to-date through May 2025, reflecting improved confidence.

In the UAE, the economic momentum remained robust despite the global backdrop. GDP growth for 2025 is projected at approximately 5%, underpinned by resilient domestic consumption, ongoing structural reforms, and strong performances in tourism, logistics, and financial services. Non-oil GDP is expected to grow at 4.0% this year and 3.8% in 2026, well above the global average. President Trump's visit to the UAE in May reinforced deepening bilateral ties, with discussions centered around cooperation in advanced technologies, particularly artificial intelligence and data center development, further bolstering the UAE's strategic positioning.

Dubai continued to cement its position as a global hub for creative industries, retaining its No. 1 global ranking for Greenfield FDI projects in the sector for the third consecutive year. In 2024, it attracted 971 cultural and creative projects with total FDI capital inflows of AED18.86 billion, generating over 23,500 new jobs. The real estate sector remained a pillar of strength, with sales buoyed by both resident and foreign demand. Despite elevated interest rates, strong rental yields are keeping buyer interest high. Banking system liquidity remains ample, with deposit growth outpacing credit expansion, reinforcing macroeconomic stability. Dubai-listed companies saw their net income jump 35.5% y-o-y to AED 29.2 bn in 1Q 2025, whereas ADX-listed firms posted a 10.2% y-o-y increase to AED 34.2 bn, according to research from KAMCO.

These trends collectively point to a market well-positioned for growth once global uncertainties subside. With increasing alignment to international capital flows, the UAE's equity markets are becoming more sensitive to shifts in global investor sentiment. On the primary market side, Dubai Residential REIT, launched by Dubai Holding, made a landmark debut on the Dubai Financial Market. The IPO raised AED2.145 billion, making it the largest REIT listing in the GCC. Oversubscribed 26 times, the REIT's unit price surged over 13% on listing day—underscoring strong demand for yield-driven real estate exposure and investor confidence in Dubai's residential leasing market.

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	3.9%	5.1%	-1.2%
YTD*	3.7%	7.5%	-3.8%
2024	17.9%	12.2%	5.7%
2023	14.5%	7.6%	6.9%
2022	6.2%	5.4%	0.8%
Since Inc.	190.0%	-9.7%	199.7%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 28th May 2025

Top 3 Holdings

Holding	% of Fund
ADNOC Logistics and Services	6.0
Emaar Properties	5.9
Emirates NBD	5.5

Fund Analysis

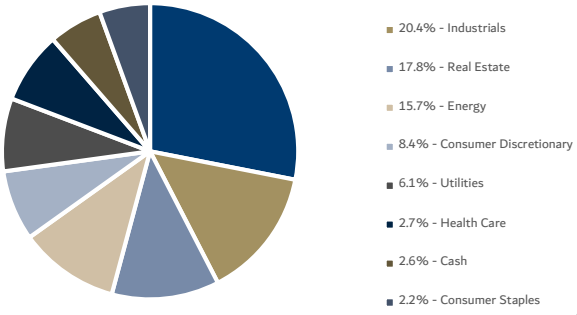
Matrix[4]	Fund	Benchmark
Standard Deviation	10.1%	13.6%
Tracking Error	6.2%	
Beta	0.7	
No. of Holdings	25	

[4] Calculated using 3-year weekly data

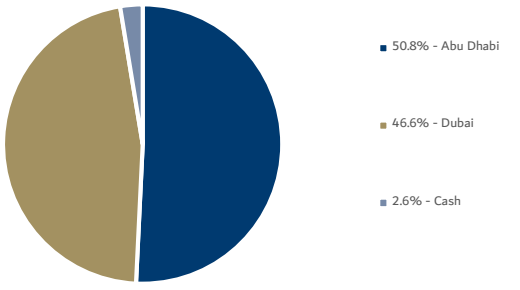
Fund Information

Fund Manager	Faisal Hasan, CFA
Fund Size	AED 53.6 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

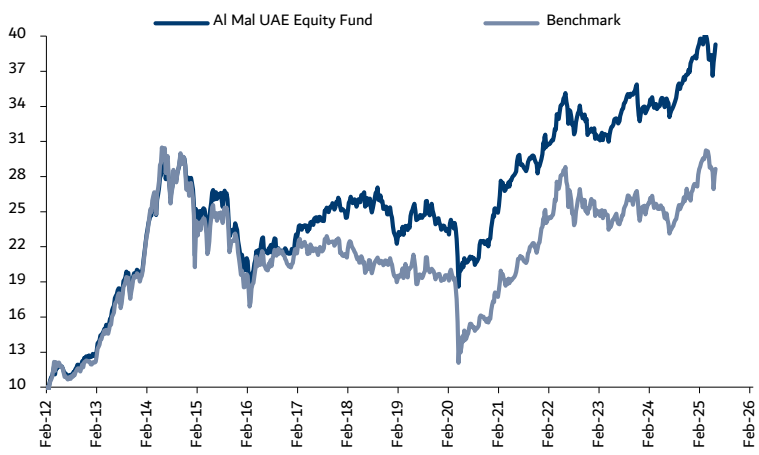
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



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