Al Mal MENA Equity Fact Sheet

February 2025

NAV Per Unit: USD 12.43

Fund Manager Commentary

GCC markets started February 2024 with gains but ended slightly lower due to declines in large-cap stocks. Despite three exchanges posting gains, broader market weakness mirrored global trends, including concerns over a US economic slowdown, geopolitical tensions, and trade uncertainties. Crude oil also dropped 4.7% amid rising supply.

The air transport sector in Saudi Arabia saw strong growth in 2024, with 128 million passengers passing through various airports—59 million on domestic flights and 69 million on international routes. This marks a 15% increase from 2023 and a 25% rise compared to pre-pandemic levels. We remain bullish on infrastructure, transportation, logistics, and tourism-related stocks, given the sector's momentum. Saudi Arabia's infrastructure investments are projected to reach approximately $1 trillion by 2030, driven by clear economic objectives and long-term private-sector strategies.

Dubai's real estate sector saw record sales of AED 457 billion by November 2024, up 11% from 2023. Growth is supported by policies like golden visas, with no major impact from geopolitical tensions. The Dubai Real Estate Sector Strategy 2033 aims to reach AED 1 trillion in transactions and contribute AED 73 billion to GDP. While strong momentum is expected in H1 2025, some moderation may occur in select segments and Abu Dhabi. We remain invested in key real estate stocks.

However, risks remain as the Trump administration imposes tariffs on China, Mexico, and the US, which could impact markets and investor sentiment. Initial tariffs were delayed after border security negotiations but are now set to take effect. Additionally, a 10% tariff on Chinese imports will be implemented, adding to last month's 10% levy.

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	-0.8%	0.1%	-0.9%
YTD*	1.9%	3.3%	-1.4%
2024	3.0%	1.9%	1.1%
2023	23.1%	9.8%	13.3%
2022	-0.9%	-5.9%	5.0%
Since Inc.	72.0%	-14.0%	86.0%

[1] Performance is net of fees; return is cumulative
[2] S&P Pan Arab Composite Index
[3] As of 26th February 2025

Holding	Top 5 Holdings	% of Fund
Emaar Properties		4.1
Saudi National Bank		4.1
Saudi Ground Services Company		4.1
Sustained Infrastructure Holding Company		3.8
ELM Company		3.8

Fund Analysis

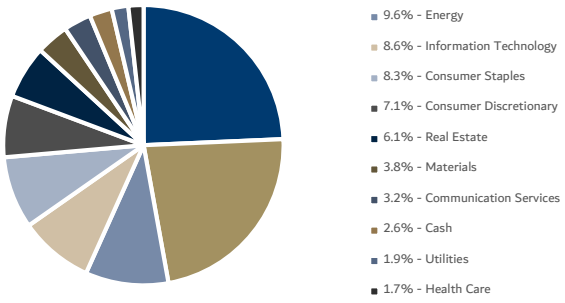
Matrix[4]	Fund	Benchmark
Standard Deviation	11.1%	11.9%
Tracking Error	5.4%	
Beta	0.8	
No. of Holdings	36	

[4] Calculated using 3-year weekly data

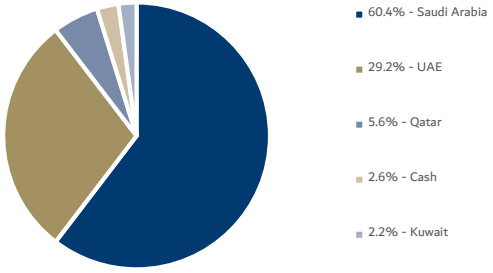
Fund Information

Fund Manager	Faisal Hasan, CFA
Inception Date	15th June 2008
Fund Size	USD 24.2 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

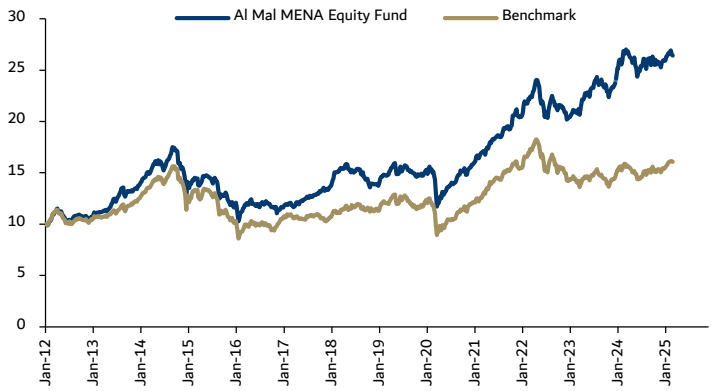
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



Disclaimer

None of the information and opinions contained herein is intended to form the basis for any investment or trading decision, and no specific recommendations are intended. The products and transactions described herein are not suitable for every investor. Such products and transactions are only suitable for sophisticated and knowledgeable professional users of financial instruments, and are structured and customized to the needs and objectives of each investor. The information and opinions contained herein have been prepared for informational purposes only and do not constitute an offer to sell, or solicitation of an offer to purchase, any security, any commodity futures contractor commodity-related product, any derivative product, or any trading strategy or service described herein.

Neither Al Mal Capital PSC nor any of its affiliates, directors, authorized managers and/or employees accepts liability for any loss arising from the use of or makes any representation as to the accuracy or completeness of the terms and conditions of products and transactions described herein. Finalized terms and conditions are subject to further discussion and negotiation, and will be determined in part on the basis of pricing and valuation models, data, and assumptions that are proprietary to Al Mal Capital and its affiliates. No assurance can be given that a product or transaction can, in fact, be executed on any representative terms indicated herein.

Al Mal UAE Equity Fact Sheet

February 2025

NAV Per Unit: AED 1.96

Fund Manager Commentary

GCC markets started February 2024 with gains but ended slightly lower due to declines in large-cap stocks. Despite three exchanges posting gains, broader market weakness mirrored global trends, including concerns over a US economic slowdown, geopolitical tensions, and trade uncertainties. Crude oil also dropped 4.7% amid rising supply. The DFM General Index extended its growth streak to nine months, rising 2.6% to 5,317.6 points. Meanwhile, the FTSE ADX Index slipped 0.2% but maintained a 1.5% year-to-date gain.

The UAE economy is expected to grow 5–6% in 2025, driven by technology, renewable energy, trade, and financial services. Between 2021 and 2024, GDP grew at an average of 4.8%, with non-oil GDP at 6.2%. Government investments in diversification continue to support expansion, with the World Bank forecasting 3.4% growth for the Gulf economies in 2025.

Dubai's real estate sector saw record sales of AED 457 billion by November 2024, up 11% from 2023. Growth is supported by policies like golden visas, with no major impact from geopolitical tensions. The Dubai Real Estate Sector Strategy 2033 aims to reach AED 1 trillion in transactions and contribute AED 73 billion to GDP. While strong momentum is expected in H1 2025, some moderation may occur in select segments and Abu Dhabi. We remain invested in key real estate stocks.

However, risks remain as the Trump administration imposes tariffs on China, Mexico, and the US, which could impact markets and investor sentiment. Initial tariffs were delayed after border security negotiations but are now set to take effect. Additionally, a 10% tariff on Chinese imports will be implemented, adding to last month's 10% levy.

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	1.5%	2.4%	-0.9%
YTD*	1.3%	4.6%	-3.3%
2024	17.9%	12.2%	5.7%
2023	14.5%	7.6%	6.9%
2022	6.2%	5.4%	0.8%
Since Inc.	183.3%	-12.2%	195.5%

[1] Performance is net of fees; return is cumulative
[2] S&P UAE Domestic 10% Capped Index
[3] As of 26th February 2025

Top 3 Holdings

Holding	% of Fund
Abu Dhabi Islamic Bank	6.2
Emaar Properties	6.1
Dubai Islamic Bank	5.8

Fund Analysis

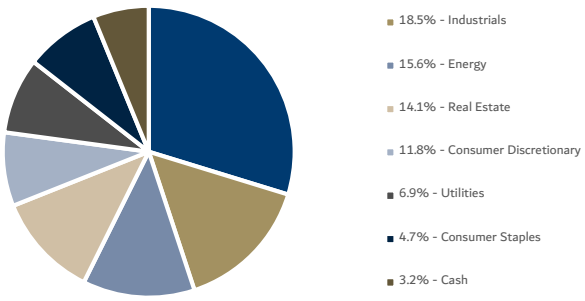
Matrix[4]	Fund	Benchmark
Standard Deviation	9.5%	13.6%
Tracking Error	6.1%	
Beta	0.6	
No. of Holdings	24	

[4] Calculated using 3-year weekly data

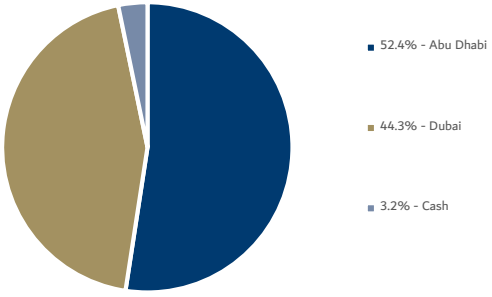
Fund Information

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

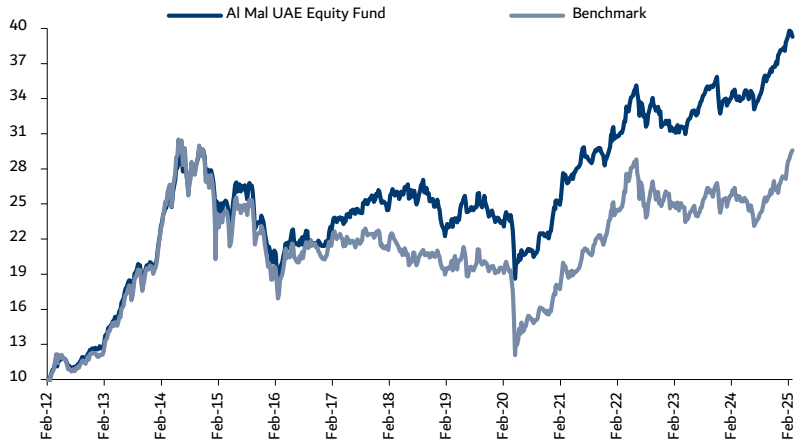
Sector Allocation



Geographic Allocation



10Y Fund Strategy Performance



Disclaimer

None of the information and opinions contained herein is intended to form the basis for any investment or trading decision, and no specific recommendations are intended. The products and transactions described herein are not suitable for every investor. Such products and transactions are only suitable for sophisticated and knowledgeable professional users of financial instruments, and are structured and customized to the needs and objectives of each investor. The information and opinions contained herein have been prepared for informational purposes only and do not constitute an offer to sell, or solicitation of an offer to purchase, any security, any commodity futures contractor commodity-related product, any derivative product, or any trading strategy or service described herein.

Neither Al Mal Capital PSC nor any of its affiliates, directors, authorized managers and/or employees accepts liability for any loss arising from the use of or makes any representation as to the accuracy or completeness of the terms and conditions of products and transactions described herein. Finalized terms and conditions are subject to further discussion and negotiation, and will be determined in part on the basis of pricing and valuation models, data, and assumptions that are proprietary to Al Mal Capital and its affiliates. No assurance can be given that a product or transaction can, in fact, be executed on any representative terms indicated herein.