

# Al Basha'er GCC Equity Fund

Fact Sheet - November 2011

Monthly Return  
-2.02%

NAV: US\$ 6.59  
Fund Size: US\$ 56.65 mln

## Fund Overview

Open-ended investment fund which seeks medium to long-term capital appreciation through investing primarily in the shares of GCC-listed Shari'ah compliant companies.

The Fund may also invest in shares of non-listed Shari'ah compliant companies up to 10% of its Net Asset Value.

## Fund Managers

Kuwait Finance & Investment Company  
Gulf Finance House

## Tickers

Bloomberg: KFIBASH  
Reuters: LP65038297

## Benchmark

S&P GCC Shariah Composite (TR)

## Fund Details

Sponsors: KFIC, GFH & QIB  
Placement Agents: KFIC, KHCB, QIB, Gulf Bank, ADCB  
Inception Price: US \$10  
Inception Date: 19th December 2005  
Jurisdiction: Bahrain  
Currency: USD  
Subscription/Redemption: Monthly  
Minimum Subscription: US\$ 10,000  
Subsequent Subscriptions: Multiples of US\$ 3,000  
Custodian: Gulf Clearing Company  
Legal Advisor: Haya Rashed Al-Khalifa Law Firm  
Auditors: Ernst & Young, Bahrain  
Management Fee: 2.25% per annum  
Performance Fee: 10% of the profits above hurdle rate  
Subscription Fee: Up to 3% of the subscription amount

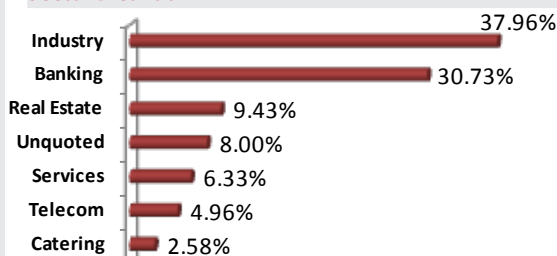
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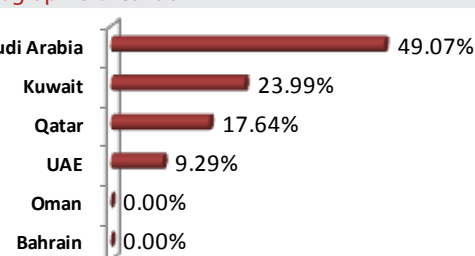
[www.al-bashaerfund.com](http://www.al-bashaerfund.com)

Returns Performance	Fund	Benchmark	Concentration	Fund	Benchmark
MTD	-2.02%	-1.28%	Total Holdings	35	137
YTD	-13.20%	-6.52%	Top 5 Holdings %	39.61%	40.65%
12 Months	-10.77%	-2.26%	Top 10 Holdings %	59.86%	54.07%
Three Year Annualized	-11.48%	8.39%	Cash Holding	2.63%	-
Five Year Annualized	-5.47%	n/a			
Since Fund Inception	-34.08%	n/a			

## Sector Breakdown

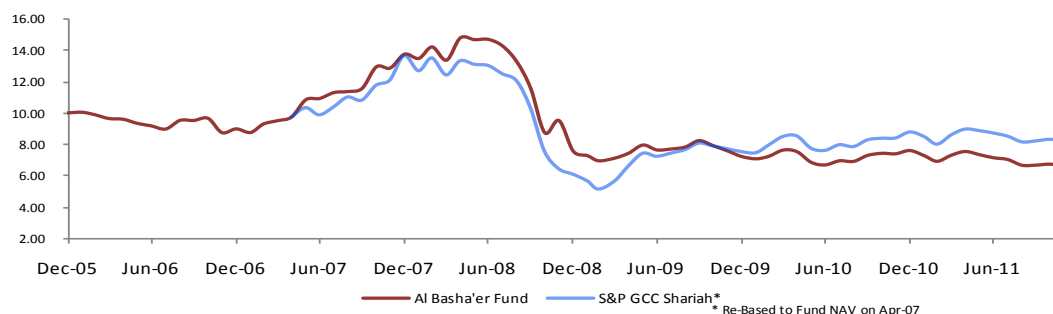


## Geographic Breakdown



Statistics	Fund	Benchmark	Top 5 Holdings (38.34% of Fund)		
	(since benchmark inception)				
Volatility (Annualised)	20.80%	25.35%	Al-Rajhi Bank	Banking	Saudi Arabia
Sharpe Ratio*	-0.018	-0.014	SABIC	Industry	Saudi Arabia
Beta		0.68	Kuwait Finance House	Banking	Kuwait
Tracking Error (Annualised)		17.16%	BHC	Unquoted	Kuwait
Information Ratio (Annualised)		-0.31	Industries Qatar	Industry	Qatar

## NAV Performance



## Management Comments

The Fund and the benchmark both had negative returns over the month of November 2011. In terms of country allocations against the benchmark, Qatari was the best positive attribution contributor, while Saudi Arabia detracted the Fund's returns behind that of the benchmark. Sectorwise, the Fund's Telecommunication and Food & Staples sectors attained better returns than the benchmark. Overall the benchmark stayed ahead of the Fund due to its higher weighting and better returns in the Saudi Arabian market over the month of November. The benchmark was also effected positively by the allocation and selections in the Material/Petrochemicals and Real Estate sectors. The month of November experienced significant volatility across global markets, in key due to the Euro zone region's debt problems and speculation trading by the investing community anticipating the direction of decision making for solutions to the troubled countries.

## Market Summary

The Fund lost -2.02% in November 2011, while the S&P GCC Shariah Composite lost -1.28%. The GCC markets saw a decline in their index levels over the month, except for the Bahrain All Share index. The top loser for the month was the Oman MSM30 index which fell by -3.00%, followed by Abu Dhabi General index's loss of -2.26%, Dubai Financial Market -2.07%, Saudi Tadawul All Share -1.92%, and the least losing market Kuwait Weighted index with a return of -1.34%. The only gainer Bahrain All Share index experienced a return of +1.35%. World markets were under pressure over the month which was filled with economic concerns, fear of global recession, uncertainty about Greece and Italy amongst the Euro zone countries, and Standard and Poor's announcement of a possible downgrade of French debt. Amongst regional news, Kuwait saw escalated political tensions which included protestor actions and a fall in the government. Violent protest erupted again in Egypt adding to the concerns for the GCC markets and further causing negative sentiment amongst the GCC investors.



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