

## Mashreq Al Islami Arab Tigers Fund

### Fund Description

The investment objective of the Portfolio is to seek long term capital appreciation through investments made primarily in Shariah compliant equities listed on the stock exchanges of the Middle East and North Africa region including the countries of Bahrain, Egypt, Jordan, Kuwait, Lebanon, Morocco, Oman, Qatar, Saudi Arabia, Tunisia and the United Arab Emirates ("MENA"). The portfolio will follow the S&P sharia compliant screening methodology which is approved by the fund's Sharia Supervisory Board.

### Fund Manager's Commentary\*

- The fund gained 1.52 % during February outperforming the benchmark by 2.88 %. Year-to-date return for the fund is 0.89% compared to -0.47 % for the benchmark.
- EGP currency strengthening along with our stock selection in Qatar and UAE were the main reason for the outperformance. EGP strengthened by 12% in February, due to increase in portfolio inflows in Treasury Bonds. Our stock selection in Consumer Staples in Egypt benefited from EGP strengthening meanwhile our exposure to Export -led companies underperformed. Our stock selection in transportation sector outperformed, meanwhile, our exposure to non-oil sector in Saudi Arabia underperformed mainly Retail and Healthcare.
- In Saudi Arabia, markets are waiting for the 1Q17 earnings, due in a few weeks, to find a new direction.
- While a strong EGP, due to improved USD inflows, has weakened the market we believe this will be offset by the decline in the cost of risk as seen from the 5 year Egypt CDS, which is now at levels not seen since 2014. While the market may face some added headwinds, we remain bullish on Egypt.
- As dividend season comes to an end and FTSE phase 2 upgrade passes, we believe Qatar will underperform.
- We continue to believe UAE markets are well positioned compared to other markets as the economy and financial markets offer relative stability and investors are not appropriately rewarding the market for this characteristic. We've seen a continued strong increase in real estate transactions in December, January and February.
- We believe the Kuwait market may have more room to go, however, the fundamentals have yet to change and we believe the rally will be limited. We will, nevertheless, be looking at this market selectively and the investment manager may choose to buy shares in companies should they be fundamentally attractive.

### Fund Returns\*

	MTD	YTD	1 Year	3 Years	5 Years	SI
MAI ATF (USD)	1.52%	0.89%	0.21%	-22.00%	15.27%	46.42%
MAI ATF (AED)	1.97%	2.33%	0.47%	-	-	-22.73%
Benchmark*	-1.36%	-0.47%	14.38%	-22.95%	-4.86%	-37.68%

	2010	2011	2012	2013	2014	2015	2016
MAI ATF	6.90%	2.08%	15.04%	23.84%	6.07%	-11.39%	-9.56%
Benchmark*	12.90%	-13.61%	3.10%	21.90%	-6.41%	-17.75%	8.11%

### Top Holdings

Juhayna Food Industries	7.56%
Middle East Healthcare Co	5.66%
Al Tayyar Travel Group Holding	5.24%
Sidi Kerir Petrochemicals Co	5.18%
Telecom Egypt Co	5.07%

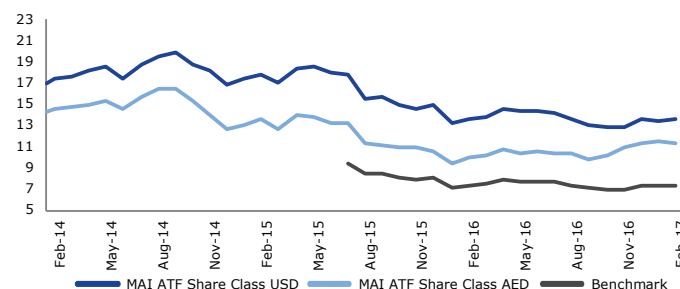
### Risk/Return Profile Since Inception

	Fund	Benchmark	vs Benchmark
Excess Return	84.1%	-	R Squared 36.04%
Beta	0.39	-	Information Ratio 6.16
Sharpe Ratio	4.67	(2.58)	Treynor Ratio 0.06
Skewness	(0.26)	(1.09)	Tracking Error 13.65%
Kurtosis	14.39	12.23	Correlation 0.60
SD	9.43%	15.53%	

### Monthly Performance (%)\*

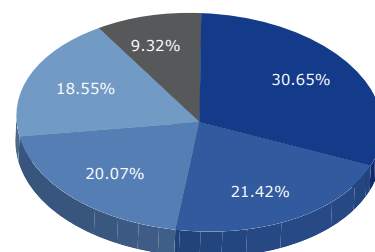
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	-0.62	1.52	-	-	-	-	-	-	-	-	-	-	0.89
2016	-12.21	3.72	1.64	5.02	-1.47	0.07	-0.55	-4.18	-4.22	-1.30	-1.28	6.12	-9.56
2015	3.80	2.64	-4.25	7.73	1.48	-3.58	-1.11	-12.86	0.65	-4.61	-2.15	1.79	-11.39
2014	3.84	5.88	1.13	4.00	1.78	-5.97	7.91	3.83	1.97	-5.51	-3.28	-8.22	6.07
2013	2.61	1.02	1.10	2.73	3.65	-1.75	7.17	-1.59	1.69	0.43	0.74	4.10	23.84
2012	2.35	3.56	1.75	0.22	-1.35	-0.70	1.88	2.57	2.18	1.02	-1.10	1.86	15.04
2011	0.57	-2.80	3.92	3.81	-1.40	-0.17	-0.47	-1.03	-0.31	0.54	-0.27	-0.14	2.08
2010	0.61	1.53	3.27	1.04	-3.60	-1.14	0.99	1.64	1.15	1.20	-1.13	1.26	6.90
2009	-0.48	-1.28	-1.40	3.31	2.89	2.39	4.21	2.41	1.74	-1.18	-3.24	-0.63	8.80
2008	-	-	-	-	-	-	-	0.04	2.78	-0.78	-0.54	-0.48	1.00

### Performance (Chart)



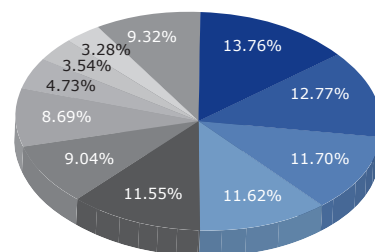
### Regional Allocation

- Saudi Arabia (30.65%)
- Qatar (21.42%)
- Egypt (20.07%)
- United Arab Emirates (18.55%)
- Cash (9.32%)



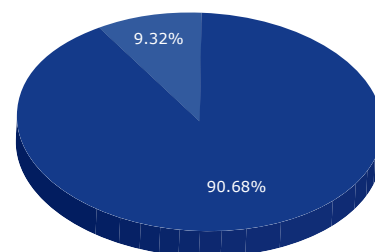
### Industry Allocation

- Consumer Staples (13.76%)
- Real Estate (12.77%)
- Industrials (11.70%)
- Financials (11.62%)
- Consumer Discretionary (11.55%)
- Materials (9.04%)
- Health Care (8.69%)
- Telecommunication Services (4.73%)
- Energy (3.54%)
- Utilities (3.28%)
- Cash (9.32%)



### Asset Allocation

- Equities (90.68%)
- Cash (9.32%)



\*The Fund converted into an Islamic fund on March 12, 2014. All historical fund performances contain data even of the period when the fund was operating as a conventional fund.

\*Upon conversion the funds benchmark has been changed to S&P Pan Arab Composite Shariah Index (BB TICKER: SPAHPUX) w.e.f March 12, 2014.

SI: Since Inception, SD: Standard Deviation, MTD: Month to Date, YTD: Year to Date

## Mashreq Al Islami Arab Tigers Fund

### Fund Details

Fund size	USD 23.66 million
Fund Type	Open ended Shariah Compliant Fund
Inception Date	August 26, 2008
Domicile	Dublin
Currency	USD & AED
Benchmark	S&P Pan Arab Composite Shariah Index
Fund Manager	Mashreq Capital (DIFC) Limited
Valuation Day	Each Business Day
Dealing Day (Subscription/Redemption)	Each Business Day
ISIN	USD: IE00B29MW600 AED: IE00BQ712Q79

SEDOL	USD: B29MW60 AED: BQ712Q7
Bloomberg Ticker	USD: MASARTI ID AED: MAARAED ID
Zawya Code	MAKMATF.IF
Lipper ID	65122961
Minimum Subscription	USD 1,000 or AED 5,000
Subscription Fee	Up to 5%
Performance Fee	10% of growth above a 10% "hurdle rate" per annum. Calculated daily, based on a "high water mark"
Management Fee	0.75%
Redemption Fee	Nil
Settlement for Subscriptions	By 12.30 pm Irish time on the relevant Day
Settlement for Redemption	5 Business Days after the Dealing Day
Notice Periods	None, Orders should be placed by 12.30 pm Irish time on Dealing Day

**Contact Us: Tel:** +9714 207 8811, **Email:** [assetmanagement@mashreqbank.com](mailto:assetmanagement@mashreqbank.com), **Web:** [www.mashreqassetmanagement.com](http://www.mashreqassetmanagement.com)

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