

Al Mal Saudi Equity Fund – Monthly Factsheet

NAV Per Unit: USD 0.95

Al Mal Saudi Shariah Equity Fund was up 5.0% in October compared to 7.8% Increase in S&P Saudi Shariah Index. The Fund has outperformed the benchmark by 4.7% since its launch in March 2011.

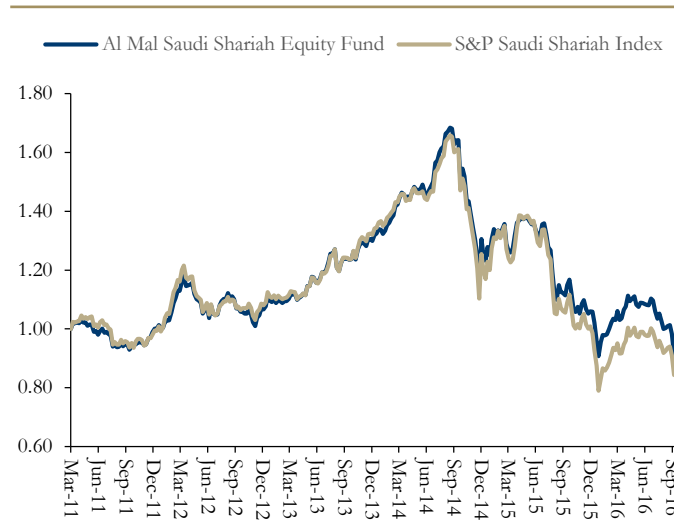
Market Overview & Fund Manager Comments

Massive sell-off in September spilled-over into the first week of October. The successful issuance of USD 17.5 bn bond, garnering an order book of USD 67.5 bn, acted as a catalyst for market to rebound. Positive news flows on release of payment to clear receivables resulted into continued market momentum.

On the ground, the situation continues to be challenging as reflected in subdued Q3 corporate earnings. Key trends we observed in the banking sector: aggregate earnings were down 15% q-o-q due to massive sequential increase in loan and investment impairments, slower momentum in loan and deposit growth. Net interest margin, however, improved sharply as loans were repriced due to higher benchmark rates. Cement sector was all about weaker volumes and depressed prices due to sluggish demand. Healthcare and consumer sectors also reported unexciting numbers due to working capital issues, lower discretionary spending and forex/investment losses. Petrochemicals sector exhibited diverse trends with some companies reporting lower volumes (due to high capacity utilization) while others witnessing higher growth in volumes with softer prices.

With sharp rebound in the index spilling over into early November, without any material change in fundamentals, we would exercise a caution and have build-up sizeable cash. The PMI for October declined to 53.2, down from 55.3 in September, confirming slowdown in non-oil sector.

Performance Graph



| Performance ¹ | Fund | Benchmark ² | Relative Perf. |
|--------------------------|--------|------------------------|----------------|
| MTD | 5.0% | 7.8% | -2.8% |
| YTD | -9.7% | -7.9% | -1.8% |
| 1 Year | -10.2% | -10.2% | 0.0% |
| 3 Years | -22.7% | -26.8% | 4.1% |
| 5 Year | 0.9% | -5.2% | 6.0% |
| Since Inc. | -4.4% | -9.2% | 4.7% |

Source: Al Mal internal performance measurement based on reports from third-party administrators (Standard Chartered)

¹ Performance is net of fees; 3-year and 5-year return is cumulative

²S&P Saudi Arabia LargeMidCap Shariah Index

Fund Key Information

Fund Objective:

To achieve significant capital appreciation primarily through Shariah-compliant investments in equity and equity-related securities issued by countries based in, or with a significant proportion of their business activities in, the Kingdom of Saudi Arabia.

| | |
|--------------------|--------------------------------|
| Fund Manager | Vijay Harpalani |
| Inception Date | 23rd March 2011 |
| Fund Registration | UAE |
| Currency | USD |
| Subscription | Weekly |
| Min Subscription | USD 50,000 |
| Management Fee | 1.75% |
| Subscription Fee | Up to 3% |
| Redemption | Weekly |
| Benchmark Index | S&P Saudi Large Midcap Shariah |
| Fund Type | Open Ended |
| Administrator | Standard Chartered |
| Custodian | Standard Chartered |
| Financial Year End | 31st December |
| Auditors | Deloitte |
| Zawya Code | AEA003630018 |
| Bloomberg Code | MALSSEF.MF |
| Reuters Code | MALSSEQ.UH |
| Morningstar Sec ID | LP68128853 |

Al Mal Saudi Equity Fund – Monthly Factsheet

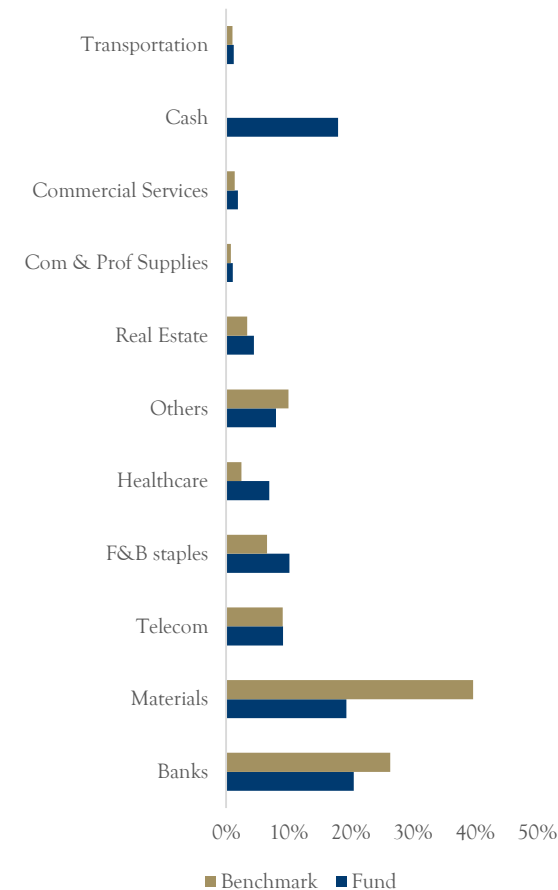
Fund Performance¹

| Performance | Fund | Benchmark | Relative Perf. |
|-------------------|--------------|--------------|----------------|
| YTD 2016 | -9.7% | -7.9 | -1.8% |
| 2015 | -15.6% | -17.9% | 2.3% |
| 2014 | -3.5% | -9.1% | 5.6% |
| 2013 | 22.9% | 23.1% | -0.2% |
| 2012 | 6.5% | 8.6% | -2.1% |
| 2011 | 0.1% | -0.5% | 0.6% |
| Since Inc. | -4.4% | -9.2% | 4.7% |

¹ Performance is net of fees

| Performance | Fund | Benchmark | Relative Perf. |
|-------------|-------|-----------|----------------|
| Jan | -9.7% | -15.7% | 6.0% |
| Feb | 4.7% | 6.5% | -1.8% |
| Mar | 3.0% | 3.5% | -0.5% |
| Apr | 8.0% | 9.6% | -1.6% |
| May | -2.7% | -2.8% | 0.1% |
| Jun | -0.1% | 0.0% | -0.1% |
| Jul | -2.1% | -1.1% | -1.0% |
| Aug | -5.3% | -4.1% | -1.2% |
| Sep | -9.3% | -9.0% | -0.3% |
| Oct | 5.0% | -7.8% | -2.8% |
| Nov | | | |
| Dec | | | |
| YTD 2016 | -9.7% | -7.9% | -1.8% |

Sector Allocation



| Top Portfolio Holdings | % of Fund |
|----------------------------|-----------|
| Al Rajhi Bank | 14.5 |
| SABIC | 12.0 |
| Alinma Bank | 6.0 |
| Saudi Telecom | 5.7 |
| Almarai | 5.0 |
| Total # of Holdings | 27 |

| Fund Characteristics ² | Fund | Benchmark |
|-----------------------------------|-------|-----------|
| Standard Deviation | 16.7% | 19.0% |
| Sharpe Ratio | -0.08 | -0.13 |
| Beta | 0.85 | - |
| Tracking Error* | 5.0% | |
| Information Ratio* | 0.10 | |

² Calculated using 5-year weekly data

Source: Al Mal internal performance measurement based on reports from third-party administrators (Standard Chartered)