

# AL AHLI GULF FUND

## Fact Sheet - February 2024



NAV  
KWD 1.2816136

### Fund Objective

Achieve capital growth through investing in companies listed across all the GCC exchanges, and investing in funds in the GCC capital markets by realizing investment returns within an acceptable level of investment risk.

Fund type	Open-ended
Asset Class	Equity
Investment Universe	GCC Countries
Launch Date	August 2003
Risk Categorization	High
Currency	KWD
Minimum Subscription	KWD 1,000
Subscription/Redemption	Monthly
Subscription Fee	2.00 %
Management Fee	1.25%
Incentive Fee	10% over 10% Hurdle
Fund Manager	ABK Capital
Sub-Investment Manager (GCC ex. Kuwait)	Securities Investment Company (SICO)
Custodian/Investment Controller	Kuwait Clearing Co.
Auditor	Deloitte & Touche (Bader AlWazzan)
Executive Committee	Rajesh George Wajih Al-Boustany Talal Al-Othman Khaled Al-Duajj

FEB'24	YTD '24	Since Inception	3 Year Return*	4 Year Return*
5.44%	7.38%	238.98%	15.08%	11.47%

\*Annualized

Top 3 Positions per Market			
Country	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>
Kuwait	NBK	KFH	AGLTY
KSA	SNB	RJHI	ALINMA
UAE	ADNOCRI	DTC	ENBD
Qatar	QNB	QGTS	ORDS
Bahrain	ALBA	-	-

### Investment Risks

Some of the risks the Fund is exposed to:

- Capital Risk – Investment value and income generated may vary from the initial investment amount.
- Market risk – Due to market volatility.
- Economic Risk—at the government and geographical levels including Political Risk and Regulatory Risk.
- Currency Risk—due to exposure to different markets.
- Political Risk and Sovereign Risk

For more information on investment risks and features refer to the Fund's Articles of Association following the link [here](#).

**Disclaimer:** : This Fact Sheet is prepared for information and marketing purposes only and should not be construed as an invitation to subscribe to units of any investment fund or a recommendation for the purchase or sale of any security or asset. Past performance is no guarantee of future return and it is not indicative of future performance. The value of units may go up or down due to market conditions, economic, political or any other factors. Investors may not recover full or part of the invested amount. It is possible that the assets of the Fund denominated in foreign currencies be exposed to fluctuations in the value of units against the currency of the Fund. The Articles of Association of the Fund is available on [www.abk-capital.com](#). Certain information contained herein are derived from external sources, and while there are no reasons to believe that any of the information is materially inaccurate, such information has not been independently verified and no representation is made with respect to the accuracy or completeness of any of this information. Investors should seek independent advice on the suitability of any particular investment. Opinions and views expressed by ABK Capital, or any of its employees, associates, and website should be solely considered as information and educational content and not as investment advice. ABK Capital, its shareholders, management or associates are not liable for any losses (if any) incur out of investment activities done by the client.



### Market Commentary

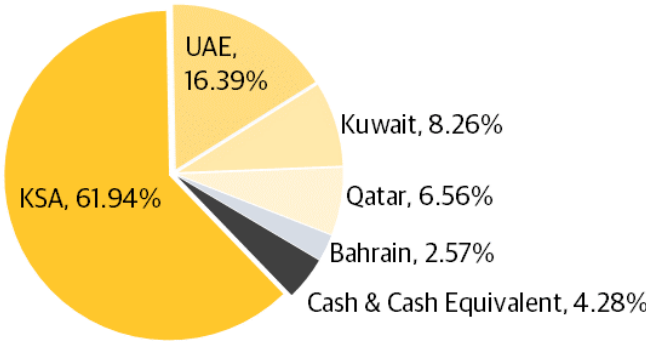
The S&P GCC Composite (Total Return) index posted a positive return of 4.1% in February 2024 driven by the capital market performances of Saudi Arabia, Qatar, Dubai, and Kuwait. The positive momentum was driven by strong corporate earnings. Saudi Arabia's General Authority of Statistics reported inflation (Consumer Price Index) of 1.6% in January 2024, an increase compared to 1.5% in December 2023 (average annual inflation was 2.3% in 2023). This was driven by increasing housing prices (7.8% vs 1.1% in December 2023) and food & beverages prices (1.0% vs 0.3% in December 2023). The lending momentum of Saudi banks was sustained in December 2023, growing by 10.7% YoY in January 2024 to reach SAR 2.62 trillion, according to the Saudi Arabian Monetary Agency (SAMA). In January 2024, Dubai's Purchasing Manager's Index (PMI) fell to 56.6 from 57.7 in December 2023, however still comfortably above the 50.0 threshold. The strong position results from a rise in new order volumes which was linked to strong demand and greater promotional activity, according to S&P. Qatar's Consumer Price Index (CPI) decreased by 1.30% YoY to 108.55 points in January 2024 (vs. 109.98 points in December 2023) primarily led by inflation in 'Communications' (declined by 11.92% YoY) and 'Recreations' (declined by 8.80% YoY) segments. Oman's inflation decreased -0.08% YoY in January 2024 driven by transport (which constitutes 14.5% of the index) decreasing -3.35% YoY. Bahrain's deflation scenario continued in December 2023 as prices dropped by 0.3% on a YoY basis in December 2023. Bahrain's subdued rental market resulted in a decrease in housing prices by 3.9% YoY in December 2023. After the slowdown in economic activity levels seen across much of the oil producing Middle East region in 2023, the outlook for economic growth potential among the GCC countries in 2024 looks a lot more optimistic. In its Global Investment Outlook 2024 report, First Abu Dhabi Bank estimated the GCC's economic growth at ~3.4% in 2024 up from 2.5% in 2023. Further, the bank anticipates that real GDP growth in the United Arab Emirates and the Kingdom of Saudi Arabia will outperform its developed market peers.

Despite a slow start in January, GCC markets have been picking up steam in a positive direction. Moving forward, we are confident that our strategic allocation is on the right path and look to continue taking advantage of tactical opportunities.

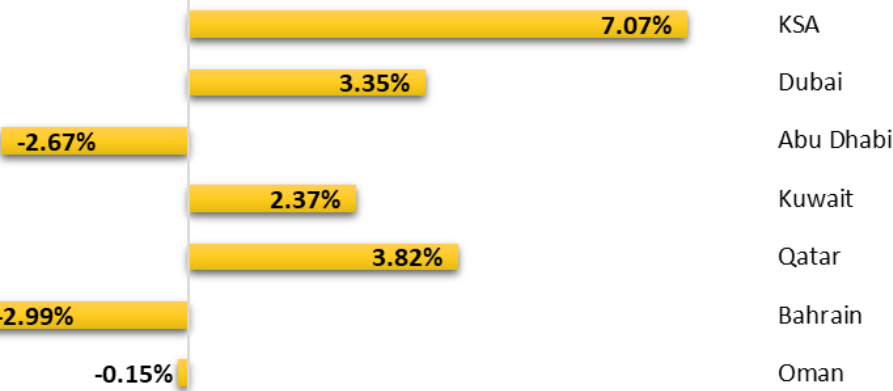
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### GCC Market Allocation



### GCC Market Performance



Source: Thomson Reuters Eikon

### Monthly Performance

SEP '23	OCT '23	NOV '23	DEC '23	JAN '24	FEB '24
-2.14%	-2.34%	4.88%	3.62%	1.83%	5.44%
MAR '23	APR '23	MAY '23	JUN '23	JUL '23	AUG '23
3.50%	4.43%	-2.39%	4.01%	2.90%	-1.06%

### Historical Performance (Last 5 Years)

2018	2019	2020	2021	2022
+13.62%	+14.38%	-4.41%	+28.61%	+1.15%

Historical performance returns are inclusive of dividends/bonus distributed

### Profits Distributed

2004	2005	2005	2006	2007	2009	2010	2012
Cash	Cash	Units	Cash	Cash	Cash	Cash	Cash
KD 0.180	KD 0.222	22.30%	KD 0.050	KD 0.130	KD 0.060	KD 0.070	KD 0.030
2013	2014	2018	2019	2021	2022	Since Inception	
Cash	Cash	Cash	Units	Units	Units	Cash	Units
KD 0.030	KD 0.040	KD 0.090	8%	10%	4%	KD 0.902	44.30%