

# Gulf Equity Investment Fund

Fact Sheet - November 2022

NBK CAPITAL  
MENA ASSET MANAGEMENT

NAV  
USD 17.5461

## Fund Structure

Open-ended

## Liquidity

Weekly

## Currency

US Dollar

## Inception Date

3rd March 2016

## Minimum Investment

USD10,000 with additional investment in multiples of USD1,000

## Subscription/Redemption Deadline

Wednesday of every week

## Fees (Annual)

Subscription: %2 (one-time)

Management: %1.5

Performance: %10 of any positive variance between the return of the Fund and the index during the financial year.

Inv. Controller: %0.0625 per annum

## Fund Manager

Watani Investment Company K.S.C.C.

(regulated by Capital Markets Authority)

## Auditor

Safi Al-Mutawa & Partners - KPMG

## Investment Controller & Custodian:

Gulf Custody Company

## Distributor

National Bank of Kuwait S.A.K.P

## Fund Regulator

Capital Markets Authority

## Executive Committee

Shadi Khadder

Vikram Viswanathan

Rajat Bagchi

Rana Atallah

Khalil Salame

Mohammed Al Duaij

## Bloomberg

GULFEQ:KK

## Morningstar

FS0000DFWC

## Objective and Strategy

The Fund seeks long-term capital appreciation by investing in equities of companies in the Gulf Cooperation Council. The Fund will follow an active strategy of allocating its investments between the various markets in the GCC. Allocation among the various markets in the GCC will contribute towards achieving this objective, along with investing in money market instruments such as deposits or equivalent in Islamic banks, sukuk or bonds issued or guaranteed by the governments of the GCC, either in Kuwaiti Dinars or any other foreign currency, and also with investing in other investment funds, based on the investment. To help measure the success of the Fund, its performance will be measured against the S&P Custom GCC Composite LargeMidCap.

## Team

NBK Capital has been managing MENA equity investments on behalf of clients for over 15 years. The fund management team has a long track record and consists of seasoned investment professionals with a combined experience exceeding 60 years. The teams' in-depth knowledge of the local and regional markets, strong research capabilities, and disciplined investment strategy enabled it to be among the top asset managers in Kuwait and the MENA region.

## Fund Performance

	1 Month	3 Months	YTD	12 Months	3 Years	Ann. 3 yr.	Since Inception <sup>1</sup>	Ann. 3 Years SI	Ann. Since Inception <sup>1</sup>
<b>Fund</b>	-2.99%	-8.18%	4.53%	8.90%	46.84%	13.65%	94.50%	10.55%	10.36%
<b>Benchmark</b>	-4.01%	-8.36%	0.54%	4.75%	48.41%	14.05%	121.64%	15.06%	12.52%

<sup>1</sup>: Calculated Since Inception Date : 3rd March 2016  
Source: Fund Manager based on the Investment Controller valuation

## Top 5 Holdings

Company	Country	Fund
Al-Rajhi Bank	SA	13.00%
The Saudi National Bank	SA	7.77%
National Bank of Kuwait	KU	4.96%
Riyad Bank	SA	4.78%
Arab Bank	SA	4.47%

## Sector Allocation

Sector	Fund	Benchmark
Banks	70.70%	62.05%
Materials	5.80%	13.31%
Telecom	3.70%	9.73%
Consumer Discretionary	2.60%	1.57%
Cash & Others	17.20%	13.34%

## Country Allocation

Country	Fund	Benchmark
Saudi	53.49%	59.37%
Qatar	10.31%	12.81%
UAE	23.96%	15.56%
Kuwait	12.24%	11.77%
Cash & Others <sup>1</sup>	0.00%	0.49%

<sup>1</sup>: Others includes Bahrain & Oman

## Investment Features and Risk

- There is risk inherent in all investments, and the Fund's investments are subject to normal market fluctuations.
- There are no guarantees that the investment value will appreciate. Diversification of investments is used to minimize risk.
- Unitholders should be aware of the risks associated with investing in the GCC stock markets, these include liquidity risk, inflation risks, interest rates, in addition to risks associated with the underlying economy, all of which can affect the Fund's performance and investment value.

## Portfolio Characteristics

	Fund	Benchmark
Median Mcap (USD Mn)	18,260	8,640
PE (x) - LTM	16.73	24.10
PE (x) - Fwd.	15.68	17.85
PB (x)	2.56	2.81
Div. Yield (%)	2.50	2.73

## Key Statistics

	1 Yr.	3 Yr.	5 Yr.
Tracking Error (%)	2.37%	2.85%	2.66%
Sharpe Ratio <sup>1</sup>	0.42	0.74	0.71
Ann. Standard Deviation	21.62%	19.86%	17.29%
Ann. Standard Dev. - BM	20.80%	19.20%	16.83%
Beta	1.03	1.02	1.02

<sup>1</sup>: Risk Free Rate used is the 1-month T-Bill.

## Fund Manager Contacts

NBK Tower, Jaber Al-Mubarak & AlShuhada  
Street, Floor 34, Block 7, Plot 6, Sharq, Kuwait  
P.O. Box 4950 Safat, 13050 Kuwait  
Tel: +965 2224 6901  
menaequities@nbkcapital.com

## Monthly Performance

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
<b>2022</b>	8.49%	4.36%	6.07%	5.36%	-7.60%	-9.79%	6.96%	0.60%	-7.00%	1.77%	-2.99%		4.53%
<b>2021</b>	1.78%	3.83%	6.91%	5.18%	1.15%	3.18%	0.88%	4.81%	2.39%	3.68%	-4.38%	4.19%	38.07%
<b>2020</b>	-0.66%	-6.48%	-18.82%	8.57%	1.41%	1.61%	0.26%	6.59%	0.93%	-1.18%	7.43%	1.35%	-2.26%
<b>2019</b>	8.06%	0.11%	3.23%	6.32%	-6.31%	2.70%	1.49%	-6.13%	-0.81%	-2.23%	2.11%	5.27%	13.37%
<b>2018</b>	6.23%	-2.99%	5.55%	3.83%	0.22%	1.59%	3.01%	-3.01%	-1.41%	-1.41%	-2.42%	0.27%	11.53%

Disclaimer: Performance data and other information contained herein are unaudited. Past performance is no guarantee for future return and is not necessarily an indicator of future performance. The value of units can go up as well as down due to market conditions and economic, political and other factors and the investor may recover lower amount than that invested. It is possible that the assets of the Fund denominated in foreign currencies be exposed to fluctuations in the value of the units against the currency of the Fund. Some statements included express opinions that should not be construed as a financial advice. The Articles of Association is available on www.nbk.com and www.nbkcapital.com and the most recent financial reports can be obtained through the Fund Manager. This Fact Sheet is intended only for informational and marketing purposes and does not seek to make any recommendation to investors. The Fund Manager indicates that no necessary information undertaking on the investment subject of this Fact Sheet has been omitted.