

Arab Bank MENA Fund

Performance Report 31.05.21

A fund of the Arab Bank MENA Fund Company B.S.C. (Closed)

NAV PER SHARE

\$9.15

OBJECTIVES OF THE FUND

The Arab Bank MENA Fund is an open ended mutual fund that offers investors the opportunity to invest in the capital markets of the Middle East and North Africa region (MENA), with a particular focus on listed equities. The Fund aims to achieve an annual average net return in the range of 10% to 15% over a full investment cycle. The Fund aims to carry a lower volatility than that of the market, by dynamically rotating across asset classes, geographies and sectors, depending on market conditions.

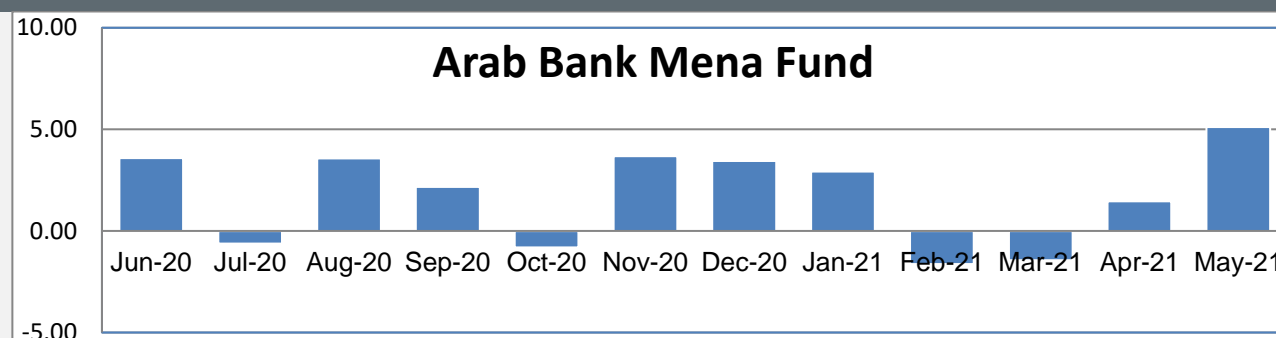
KEY FEATURES

Domicile	Kingdom of Bahrain	Valuation point	Monthly, last business day of the month
Reference currency	USD	Minimum subscription	USD 25,000 & USD 1,000 thereafter
Fund assets	USD 13,907,843	Dealing frequency	Monthly, 5 business days prior to month end
Launch date	October 2005	Fund manager	Al Arabi Investment Group Co (AB Invest)
Administrator	Gulf Clearing Company	BBG code	ARABMNA BI Equity

MONTHLY PERFORMANCE (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y.T.D.
Arab Bank MENA Fund													
2021	2.93	-1.63	-1.44	1.46	5.11								6.43
2020	0.21	-3.33	-16.49	8.57	-2.27	3.59	-0.63	3.57	2.17	-0.81	3.68	3.45	-0.52
2019	2.05	0.94	1.07	2.48	-1.86	0.33	3.65	-2.17	-0.23	-0.65	-0.32	1.80	7.13
2018	0.23	-0.81	0.79	2.30	-1.19	0.37	-1.14	-0.73	-0.31	-0.31	-0.77	-0.57	-2.18
2017	1.01	0.32	1.39	0.78	-1.70	0.97	0.22	-1.03	0.65	-0.57	-3.49	-0.11	-1.65
2016	-10.85	6.29	1.49	2.17	-1.11	-0.06	1.35	-0.90	-1.29	-1.26	5.06	2.19	2.05

MONTHLY RETURN OVER THE PAST TWELVE MONTHS



RETURN PERCENTAGES

1 month	5.11%	3 months	5.11%	Since inception	-8.48%
6 months	10.10%	12 months	23.34%		

PERFORMANCE STATISTICS

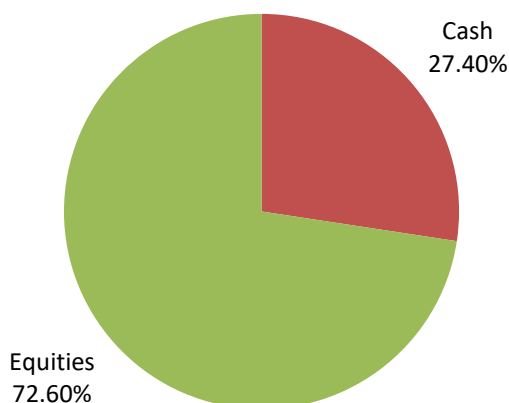
	The Fund
Annualized return	-0.6%
Annualized volatility	13.8%
Sharpe ratio	NM
Maximum month	13.7%
Minimum month	-23.5%
% Positive months	54.8%
Worst 12 months	-74%
Best 12 months	119.3%

TOP TEN HOLDINGS

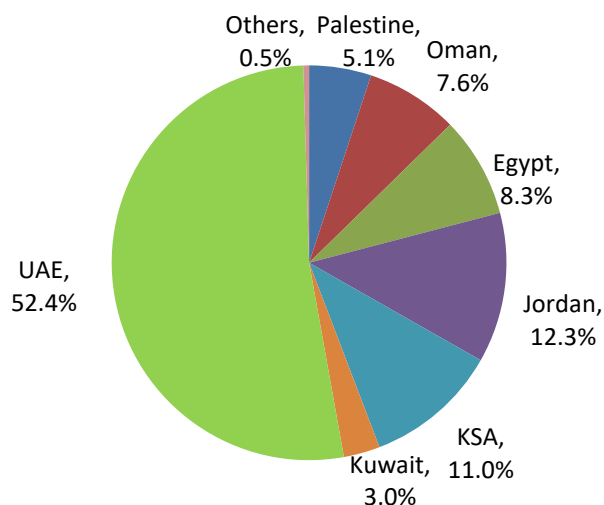
	Country	%
Dubai Islamic Bank	UAE	14.01%
Aramex	UAE	10.03%
Emaar Properties Company	UAE	8.70%
Saudi Airlines Catering	KSA	5.68%
OOREDOO OMR	Oman	5.51%
Abu Dhabi Commercial Bank	UAE	4.65%
Palestine Telecommunications Company	Palestine	3.69%
Arab Bank	Jordan	3.49%
Al Tajamouat for Touristic Projects	Jordan	2.96%
Eastern Company for Tobacco	Egypt	2.69%



ASSET ALLOCATION



GEOGRAPHIC ALLOCATION (EQUITIES)



COMMENTARY

The bull run perseveres for a seventh straight month. MENA equity indices continued to post gains in May as investor optimism reaches fever pitch and excellent set of numbers coming out of Dubai showing a long due recovery in the battered real estate market. The S&P Pan Arab Investable Index was up 1.53% (YTD 16.44%), and the Dow Jones MENA Index was up by 1.83% (YTD 16.21%). Due to its high exposure to Jordan and Dubai markets, the Arab Bank MENA Fund was up by 5.11% (YTD 6.43%). The Dow Jones Islamic Market MENA Index was also on the up, gaining 1.00% (YTD 15.52%). The IAB MENA Fund though gained 3.29% (YTD 2.65%). The IAB MENA Feeder Fund consequently was up by 3.29% (YTD 2.39%).

The region's capital markets were all up during the month save for two. The Egyptian Stock exchange and the Qatari Index which were down by 1.59% (YTD -4.94%) and 1.50% (YTD 2.99%) respectively. As for this month's gainers, they were led by the Jordanian ASE index which surged by an incredible 14.34% (YTD 23.88%), followed by the Dubai Financial Market which gained 7.37% (YTD 12.26%) and Abu Dhabi index which shot up by 8.47% (YTD 30.00%). They were followed by the Bahraini Index, the Omani Stock Exchange and the Kuwait premier market which rose by 2.88% (YTD 2.54%), 2.44% (YTD 5.30%) and 1.76% (YTD 11.39%) respectively. The list of gainers were rounded up by the Saudi Arabian TASI which was up 1.27% (YTD 21.42%).

Global capital markets continued their steady march upwards. In the U.S., the S&P 500 Index inched up by 0.55% (YTD 11.93%) while the Dow Jones gained 1.93% (YTD 12.82%). In Europe, all major indices experienced bumps due to declining Covid infection rates and a steady return to tourism. The French CAC 40 Index surged 2.83% (YTD 16.14%), the German DAX gained 1.88% (YTD 12.41%) and the FTSE 100 shot up 0.76% (YTD 8.70%). Asia was also unanimously in the green for the month of May. The Nikkei index rose by 0.16% (YTD 5.16%), while the Hang Seng gained 1.49% (YTD 7.05%) and the Shanghai Composite surged 4.89% (YTD 4.10%).

A US proposal for a global minimum corporate tax of at least 15% met an enthusiastic reception in Europe, bringing the world closer to a deal on sweeping changes to how much multinationals pay taxes, and to which governments. The latest pitch in the race for an accord between 139 countries is less than the 21% rate the US previously suggested for overseas earnings of its businesses.

In regional news, the UAE revamped the long-established relationship with its wealthy expatriate workers. The Gulf Sate started issuing permanent residencies and service passports to dozens of foreigners in recent months in a significant change from the UAE's traditional way of treating expats, who have been encouraged to leave the territory when their work ended. Now the government, boosted by the success of its Covid-19 vaccination program, hopes to convince more wealthy incomers to stay, in an effort to boost domestic spending and sustain property prices. Furthermore, the country plans to allow foreigners 100% ownership of companies starting the 1st of June. Also in the UAE, Dubai's real estate sector recorded 4,832 sales transactions worth AED10.98 billion in April 2021, the highest value in four years, specifically since March 2017. In terms of volume, April transactions were up 4.2% compared to March and 0.6% more in terms of value. This brings the year to April total to 16,577 sales transactions worth AED36.12 billion.

In Saudi Arabia, the gulf kingdom is hoping to raise about USD55 billion over the next four years as it plans to step up its nascent privatization program with the government seeking to boost revenue and narrow its budget deficit. Riyadh had identified a pipeline of 160 projects across 16 sectors, including asset sales and public-private partnerships, through to 2025.

Equity markets have continued to be the bellwether of capital markets worldwide with a bull run not witnessed in a decade. Our holdings in low-volatility fundamentally strong names is starting to bear its fruit as investors flock to them due to their attractive valuations which will reflect positively on returns for our shareholders.



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INVESTMENT METHODOLOGY AND EDGE

AB Invest is one of the most experienced and fastest growing MENA investment managers operating out of Jordan. AB Invest provides its clients with a number of MENA-focused investment solutions on conventional and Sharia-compliant bases. Our investment process is based on rigorous fundamental analysis with a view on delivering superior risk-adjusted returns, using a combination of top-down and bottom-up approaches. Our deep knowledge of the markets in which we invest allows us to deliver consistent returns while prudently managing risk.

DISCLAIMER

Whilst the information contained in this report is provided in good faith, no representation or warranty, express or implied, is made to its accuracy or completeness.

Arab Bank MENA Fund is a Fund created and sponsored by the Arab Bank MENA Fund Company B.S.C. (Closed) and is an open-ended investment Fund registered under the Laws of the Kingdom of Bahrain.

This fact sheet is issued by Al Arabi Investment Group Co. (AB Invest) - formerly known as Atlas Investment Group. AB Invest is a wholly-owned subsidiary of the Arab Bank Group and is an investment banking firm headquartered in Amman, Jordan.

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Past performance should not be taken as a guide to the future. The value of investments can fall as well as rise.

