

Arab Bank MENA Fund

Performance Report 31.10.21

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

NAV PER SHARE

\$9.49

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.

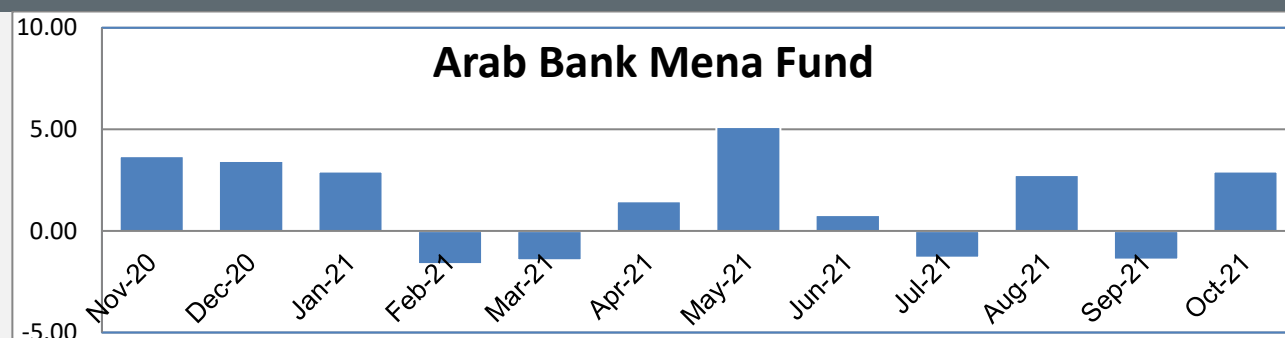
KEY FEATURES

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 14,017,149	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	0.78	-1.31	2.75	-1.41	2.93			10.38
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	2.93%	3 months	4.27%	Since inception	-5.08%
6 months	9.01%	12 months	18.39%		

PERFORMANCE STATISTICS

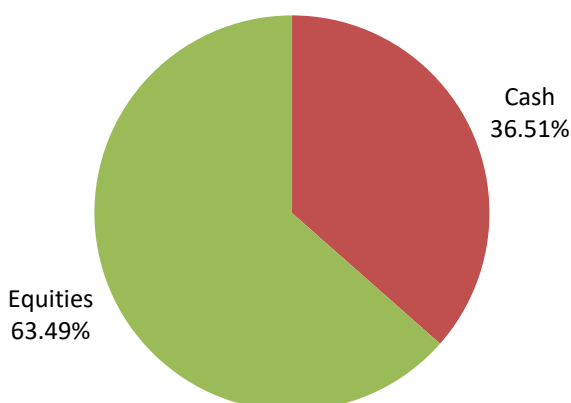
	The Fund
Annualized return	-0.3%
Annualized volatility	13.7%
Sharpe ratio	NM
Maximum month	13.7%
Minimum month	-23.5%
% Positive months	54.9%
Worst 12 months	-74%
Best 12 months	119.3%

TOP TEN HOLDINGS

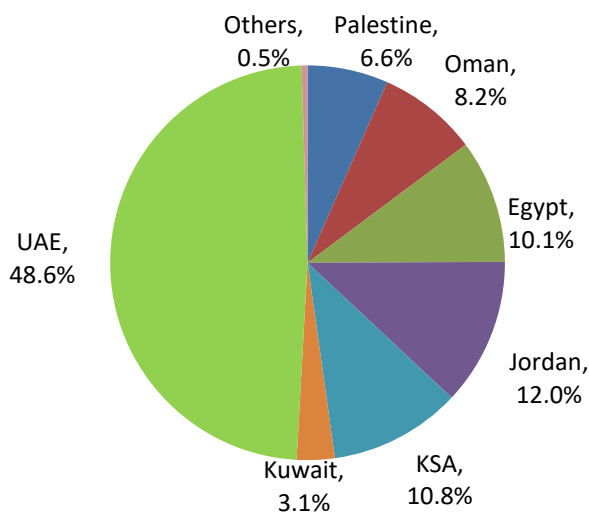
	Country	%
Dubai Islamic Bank	UAE	14.89%
Emaar Properties Company	UAE	8.83%
OOREDOO OMR	Oman	5.19%
Saudi Airlines Catering	KSA	5.00%
Aramex	UAE	4.22%
Palestine Telecommunications Company	Palestine	4.21%
Arab Bank	Jordan	3.28%
Eastern Company for Tobacco	Egypt	2.63%
Al Tajamouat for Touristic Projects	Jordan	2.02%
Human Soft	Kuwait	1.97%



ASSET ALLOCATION



GEOGRAPHIC ALLOCATION (EQUITIES)



COMMENTARY

MENA's equity markets have continued their hot streak for a 12th straight month in October, supported by higher oil prices and record low interest rates. The S&P Pan Arab Investable Index was up 2.20% (YTD 28.12%), and the Dow Jones MENA Index was up by 2.65% (YTD 28.76%). The Arab Bank MENA Fund followed the upward trend rising by 2.93% (YTD 10.38%). The Dow Jones Islamic Market MENA Index also ended the month of September positively, recording gains of 1.72% (YTD 27.21%). The IAB MENA Fund has also finished the month in the green, gaining 2.76% (YTD 5.50%). The IAB MENA Feeder Fund consequently gained 2.76% (YTD 4.99%).

The performance of the region's equity markets was unanimously positive for October. The list of advancing indices was led by the Egyptian Stock Exchange which gained 8.59% (YTD 5.30%), followed by the Omani Stock Exchange which went up by 3.36% (YTD 11.38%). They were followed by the Kuwait Premier Market Index, the Qatari Index, and the Jordanian ASE index which have gained 2.62% (YTD 27.13%), 2.43% (YTD 12.73%) and 2.31% (YTD 27.98%) respectively. The list was rounded up by the Abu Dhabi index which gained 2.16% (YTD 55.89%), the Saudi Arabian TASI which gained 1.81% (YTD 34.69%) and the Dubai Financial Market which was up 0.66% (YTD 14.94%).

Global capital markets also experienced a brilliant month in terms of gains, as all major indices, except for two, managed to record advances. The S&P 500 Index surged 6.91% (YTD 22.61%) while the Dow Jones shot up 5.84% (YTD 17.03%). In Europe, the French CAC 40 Index was up 4.76% (YTD 23.04%), the German DAX gained 2.81% (YTD 14.36%) and the FTSE 100 had gone up by 2.13% (YTD 12.03%). Asia markets included the two indices finishing in the red for the month. The Nikkei index shed 1.90% (YTD 5.28%), while the Hang Seng finished in the green, rising by 3.26% (YTD -6.81%) while the Shanghai Composite fell by 0.58% (YTD 2.14%).

In major news for the month, the Senate passed a stopgap spending bill aimed at averting a federal government shutdown on a bipartisan 65 to 35 vote. The House passed the emergency measure on to continue funding for federal government. The Senate bill passed after Democrats dropped an earlier attempt to attach a debt-ceiling suspension to the bill in face of implacable Republican opposition to that measure. In Europe, the European Central Bank renewed its pledge to conduct emergency bond-buying at a "moderately" slower pace, holding its nerve even as surging inflation prompts investors to advance unwelcome bets for interest-rate increases. The ECB Governing Council maintained prior language heralding plans to reduce monthly purchases from the roughly 75 billion euros (USD86.9 billion) deployed from March through September. They also promised to keep the 1.85 trillion- euro program, known as PEPP, running until March 2022 or later if needed.

In regional news, Saudi Arabia recorded its first quarterly budget surplus in more than two years as higher crude prices boosted the kingdom's finances. The Gulf nation's surplus during the third quarter was about 6.7 billion riyals (USD1.8 billion), trimming the year-to-date deficit to 5.4 billion riyals, according to a report published by the Ministry of Finance.

In the UAE, the government approved its federal budget to 2026 and focused most of next year's spending on social benefits and development. The Gulf country approved a total of 58.9 billion dirhams (USD16 billion) of spending in 2022, nearly the same as last year. Most of the spending is going to development and social benefits, according to the state-run WAM news agency. The total budget allocation for 2022-2026 is 290 billion dirhams.



Arab Bank MENA Fund

Performance Report 31.10.21

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

Higher oil prices, record highs reached in international capital markets and gains in previously lagging indices have pushed MENA markets higher in October, a trend we see continuing for the remainder of the year. Our holdings of underperforming names have sprung back to life as investors belatedly comprehended the value they provide, pushing the fund's performance higher.

Our elevated cash levels stemming from realizing some of those gains allows us to capitalize on any downturn the market suffers from to provide the best value for our investors.

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.

This Fact Sheet is not an invitation to make an investment, nor does it constitute an offer for sale. In addition, it does not constitute as an advertisement in a country where the Fund is not registered for sale. The full documentation required to make an investment is available from AB Invest at its registered address: Building No.3, Shmesani - Esam Ajlouni Street, Amman 11814, Hashemite Kingdom of Jordan.

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

