

IIAB Islamic MENA Fund

Performance Report 30.06.21

A Fund created by IIAB Islamic MENA Fund Company B.S.C. (Closed)

NAV PER SHARE

\$6.45

OBJECTIVE OF THE FUND

The IIAB Islamic 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, whilst adhering to the sharia' principles. The Fund aims to achieve an annual average net return in excess of 11% 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

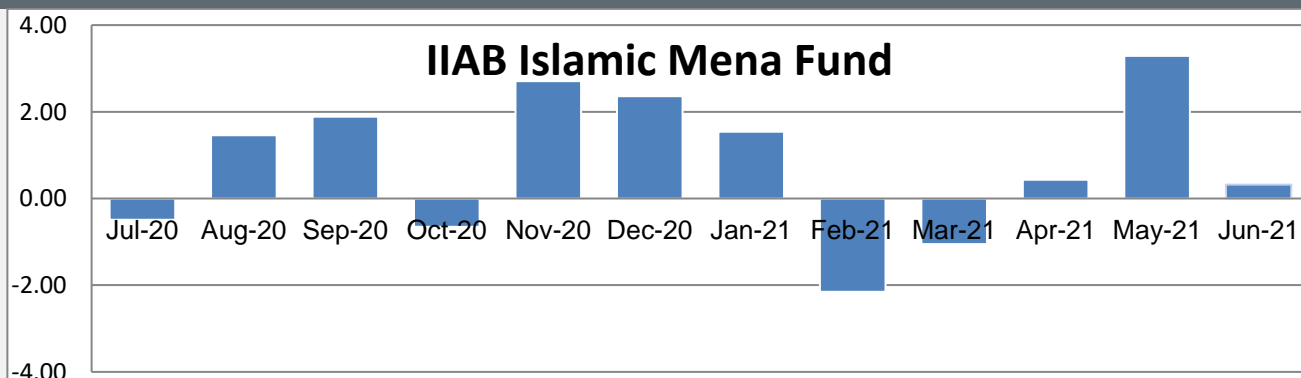
Domicile	Kingdom of Bahrain	Valuation point	Monthly, last business day of the month
Reference currency	USD	Minimum subscription	USD 25,000 & 100 units thereafter
Fund assets	USD 6,624,052	Investment manager	Al Arabi Investment Group Co (AB Invest)
Administrator	Gulf Clearing Company	Dealing frequency	Monthly, 4 business days prior to month end
Launch date	28 February 2008	BBG code	IIABISL BI EQUITY

MONTHLY PERFORMANCE (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
IIAB Islamic MENA Fund													
2021	1.54	-2.15	-0.40	0.43	3.29	0.32							2.98
2020	0.15	-2.41	-11.50	6.49	-1.63	2.40	-0.49	1.46	1.89	-0.65	2.71	2.36	-0.32
2019	2.41	1.10	0.85	2.65	-1.24	-0.67	3.57	-1.08	-0.76	-0.45	-0.45	0.77	6.76
2018	-0.96	-0.92	1.30	0.06	-0.81	-0.17	-1.94	-0.18	-1.80	-0.64	0.15	-1.31	-7.03
2017	0.16	0.07	0.48	0.74	-2.58	0.79	-0.92	-0.88	1.05	-0.22	-2.83	0.05	-4.10
2016	-8.86	5.04	2.18	2.64	-1.18	0.02	0.48	-0.02	-1.81	-0.92	5.03	1.88	3.78

Important note: The first NAV for the Fund was issued in April 08.

MONTHLY RETURN OVER THE PREVIOUS 12 MONTHS



RETURN PERCENTAGES

1 month	0.32%	3 months	4.06%	Since inception	-35.54%
6 months	2.98%	12 months	10.63%		

PERFORMANCE STATISTICS

	Portfolio
Annualised return	-3.3%
Annualised volatility	13.5%
Sharpe ratio	NM
Maximum month	8.3%
Minimum month	-25.6%
% Positive months	52.2%
Worst 12 months	-72.3%
Best 12 months	94.1%

TOP TEN HOLDINGS

	Country	%
Aramex	UAE	9.62%
Dubai Islamic Bank	UAE	8.91%
Emaar Properties Company	UAE	7.27%
OOREDOO OMR	Oman	6.20%
Palestine Telecommunications Company	Palestine	5.41%
Saudi Airlines Catering	KSA	4.75%
Cairo Investment & Real Estate Development	Egypt	3.18%
Jordan Islamic Bank	Jordan	3.07%
Human Soft Holding Co	Kuwait	2.82%
Cairo Poultry Company	Egypt	1.73%

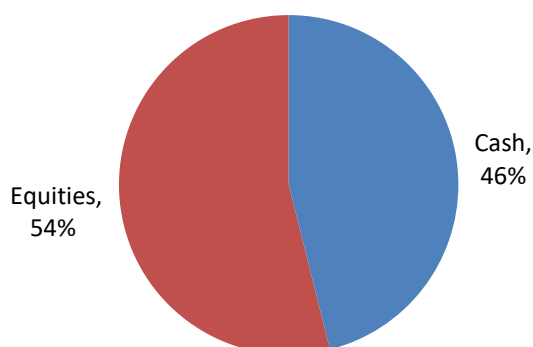


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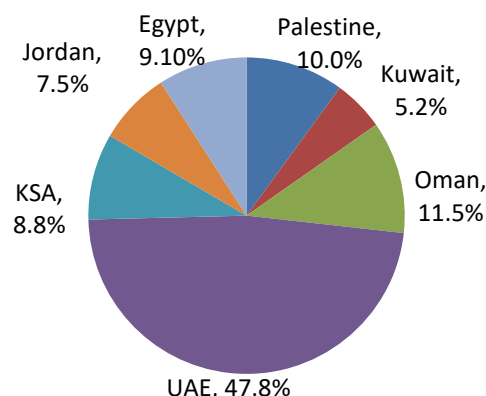
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ASSET ALLOCATION



GEOGRAPHIC ALLOCATION (EQUITIES)



COMMENTARY

The gains continue to pile up for MENA markets for an eighth straight month buoyed by higher oil prices. Oil reached levels last witnessed in October 2018 and renewed investor optimism. The S&P Pan Arab Investable Index was up 1.74% (YTD 18.17%), and the Dow Jones MENA Index was up by 1.66% (YTD 17.87%). Likewise, the Arab Bank MENA Fund was up by 0.83% (YTD 7.26%). The Dow Jones Islamic Market MENA Index was also up, recording the highest gain among our benchmark indices by gaining 2.62% (YTD 18.15%). The IIAB MENA Fund though gained 0.32% (YTD 2.98%). The IIAB MENA Feeder Fund consequently was up by 0.27% (YTD 2.66%).

For the second straight month, the region's capital markets were all up during the month with the exception of the Egyptian Stock Exchange and the Qatari Index which were down by 0.48% (YTD -5.43%) and 0.17% (YTD 2.82%) respectively. As for this month's gainers, they were led by the Omani Stock Exchange which was up 5.76% (YTD 11.06%), closely followed by the Abu Dhabi index which shot up by 5.48% (YTD 35.48%). The Saudi Arabian TASI, Bahraini Index and Kuwait Premier Market index were next in line, gaining 4.98% (YTD 26.41%), 4.05% (YTD 6.59%) and 3.24% (YTD 14.63%) respectively. Finally, the list was rounded up by the Jordanian ASE and the Dubai Financial Market indices which were up 2.77% (YTD 26.65%) and 0.52% (YTD 12.78%).

Global capital markets continued their steady march upwards in the majority. In the U.S., the S&P 500 Index inched up by 2.49% (YTD 14.41%) while the Dow Jones shed 0.09% (YTD 12.73%). In Europe, all major indices were up. The French CAC 40 Index shot up 1.09% (YTD 17.23%), the German DAX gained 0.80% (YTD 13.21%) and the FTSE 100 inched up by 0.23% (YTD 8.93%). Asia on the other hand was unanimously down for the month of June. The Nikkei index fell by 0.25% (YTD 4.91%), while the Hang Seng shed 1.19% (YTD 5.86%) and the Shanghai Composite was down 0.70% (YTD 3.40%).

Emerging market and developing nations will continue to struggle with the Covid-19 pandemic and its aftermath even as a few major economies spur the strongest post-recession global growth in 80 years, the World Bank said. Global gross domestic product will expand 5.6% this year, up from 4.1% forecast in January, the Washington based development organization said in its semi-annual Global Economic Prospects report. That will be fueled largely by a 6.8% expansion in the US and 8.5% in China.

In regional news, Dubai's property sales hit a four-year high of AED11.11 billion (USD3.02 billion) in May as the economy continues to recover from the coronavirus pandemic, according to listings portal Property Finder. This is the highest value of monthly property transactions recorded by the emirate since March 2017. In Saudi Arabia, Business conditions improved at the quickest pace in more than three years in May, helped by further easing in virus-related restrictions. The kingdom's Purchasing Managers' Index survey compiled by IHS Markit rose to the highest since January, supported by an increase in new business along with an uptick in export orders. The pace of expansion was the fastest since December 2017.

In corporate news, Emaar Properties PJSC's five-month sales surged as Dubai's real-estate market bounced back from the impact of the pandemic. The company put total property sales at AED10.5 billion (USD2.9 billion), compared with AED3 billion a year ago.

We continue to be prudent in our fundamentally based approach, searching for deep value in the names we acquire and holding relatively high levels of cash in order to offer our investors the best returns in the long term instead of searching for short-term gains.



INVESTMENT METHODOLOGY & 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.

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

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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.

