

# IIAB Islamic MENA Fund

Performance Report 31.05.21

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

NAV PER SHARE

\$6.43

## 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

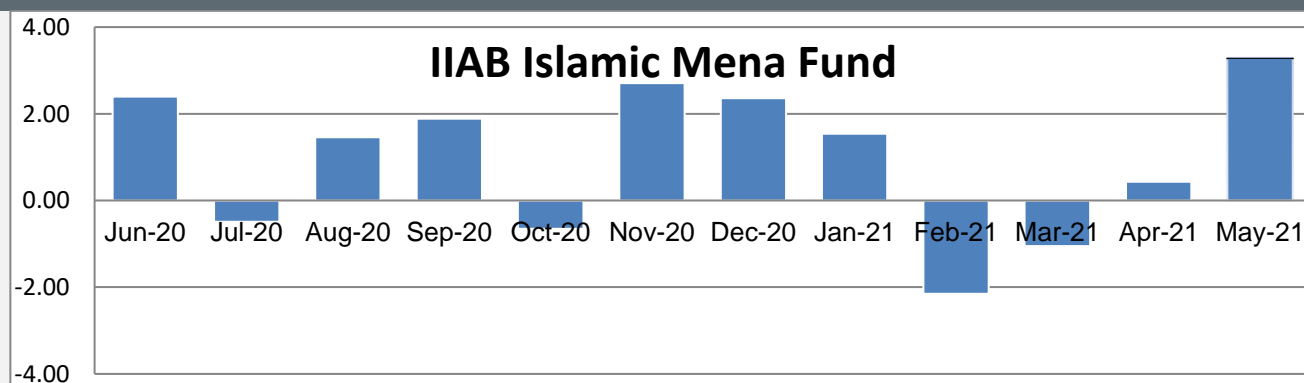
<b>Domicile</b>	Kingdom of Bahrain	<b>Valuation point</b>	Monthly, last business day of the month
<b>Reference currency</b>	USD	<b>Minimum subscription</b>	USD 25,000 & 100 units thereafter
<b>Fund assets</b>	USD 6,602,892	<b>Investment manager</b>	Al Arabi Investment Group Co (AB Invest)
<b>Administrator</b>	Gulf Clearing Company	<b>Dealing frequency</b>	Monthly, 4 business days prior to month end
<b>Launch date</b>	28 February 2008	<b>BBG code</b>	IIABISL BI EQUITY

## MONTHLY PERFORMANCE (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>IIAB Islamic MENA Fund</b>													
2021	1.54	-2.15	-0.40	0.43	3.29								2.65
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	3.29%	3 months	3.32%	Since inception	-35.75%
6 months	5.06%	12 months	12.92%		

## PERFORMANCE STATISTICS

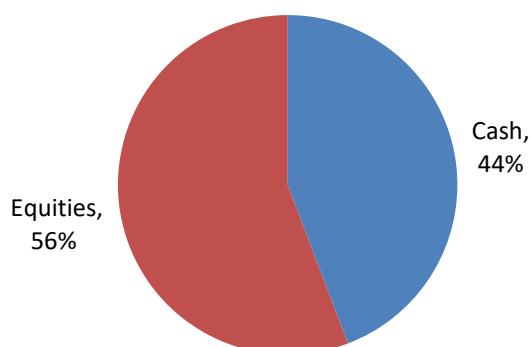
	Portfolio
Annualised return	-3.3%
Annualised volatility	13.5%
Sharpe ratio	NM
Maximum month	8.3%
Minimum month	-25.6%
% Positive months	51.9%
Worst 12 months	-72.3%
Best 12 months	94.1%

## TOP TEN HOLDINGS

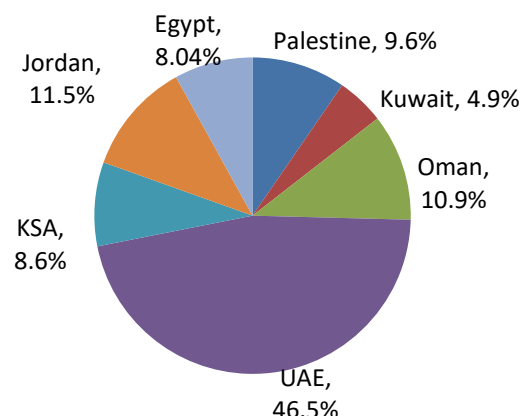
	Country	%
Aramex	UAE	10.14%
Dubai Islamic Bank	UAE	8.85%
Emaar Properties Company	UAE	6.92%
OORED00 OMR	Oman	6.10%
Jordan Islamic Bank	Jordan	5.46%
Palestine Telecommunications Company	Palestine	5.35%
Saudi Airlines Catering	KSA	4.78%
Cairo Investment & Real Estate Development	Egypt	2.85%
Human Soft Holding Co	Kuwait	2.73%
Cairo Poultry Company	Egypt	1.64%



### 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 IIAB MENA Fund though gained 3.29% (YTD 2.65%). The IIAB 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.



### 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.

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, Hashemite Kingdom of 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.

