

IIAB MENA Feeder Fund

Performance Report 30.11.21

A protected cell of the IIAB PCC Ltd

NAV PER SHARE **\$5.99**

OBJECTIVE OF THE FUND

The IIAB MENA Feeder Fund is a long-term, medium to high risk investment vehicle that invests in the IIAB Islamic MENA Fund (Master 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

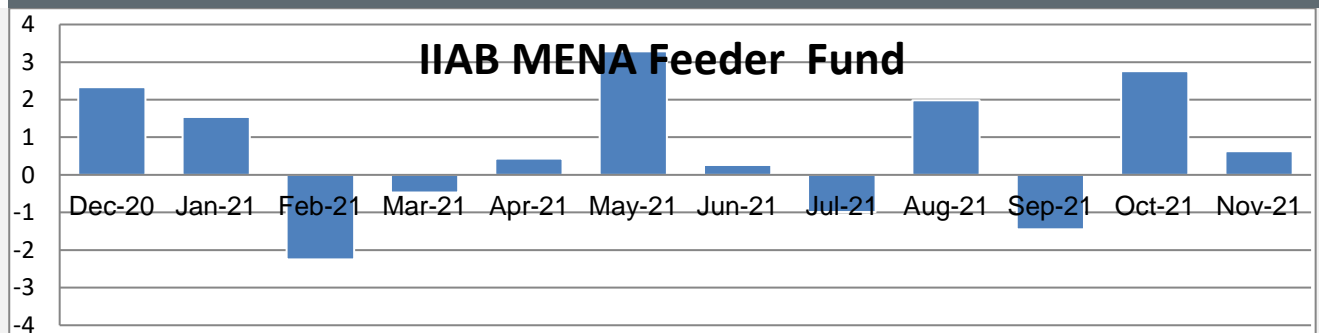
Domicile	Guernsey Channel Islands	Valuation point	Monthly, last business day of the month
Reference currency	USD	Minimum subscription	USD 25,000 & USD 1,000 thereafter
Fund assets	USD 3,035,926	Fund manager	AB Fund Managers (Guernsey) Ltd
		Investment advisor	Al Arabi Investment Group Co (AB Invest)
Launch date	28 February 2008	Dealing frequency	Monthly, 10 business days prior to month end
Listing	CISX	BBG code	IIABMEU GU Equity

Important note: For clarity purposes, the figures below represent the performance, asset allocation and holdings of the IIAB Islamic MENA Fund (Master Fund).

MONTHLY PERFORMANCE (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y.T.D.
IIAB MENA Feeder Fund													
2021	1.51	-2.25	-0.47	0.38	3.29	0.26	-0.99	1.98	-1.45	2.76	0.63		5.64
2020	0.08	-2.49	-11.71	6.53	-1.71	2.38	-0.57	1.42	1.86	-0.73	2.70	2.33	-1.03
2019	2.36	1.05	0.80	2.62	-1.28	-0.72	3.56	-1.14	-0.81	-0.51	-0.50	0.72	6.18
2018	-1.05	-1.00	1.24	-0.01	-0.86	-0.24	-2.00	-0.23	-1.86	-0.69	0.10	-1.37	-7.74
2017	0.10	0.01	0.40	0.69	-2.64	0.70	-1.00	-0.95	0.98	-0.28	-2.90	-0.04	-4.91
IIAB Islamic MENA Fund (Master Fund)													
2021	1.54	-2.15	-0.40	0.43	3.29	0.32	-0.90	2.00	-1.36	2.76	0.67		6.20
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

MONTHLY RETURN OVER THE PREVIOUS 12 MONTHS



PERFORMANCE STATISTICS (MASTER FUND)

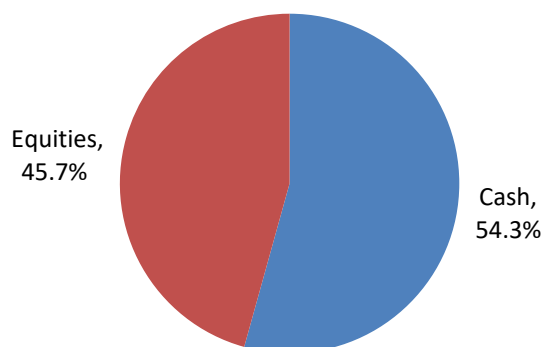
	Portfolio
Annualised return	-2.9%
Annualised volatility	13.3%
Sharpe ratio	NM
Maximum month	8.3%
Minimum month	-25.6%
% Positive months	52.4%
Worst 12 months	-72.3%
Best 12 months	94.1%

TOP TEN HOLDINGS (MASTER FUND)

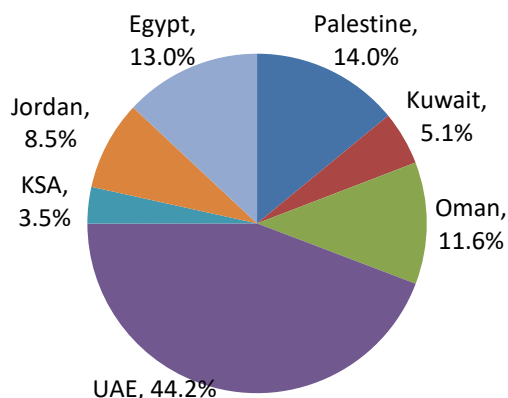
	Country	%
Dubai Islamic Bank	UAE	10.35%
Emaar Properties Company	UAE	7.06%
Palestine Telecommunications Company	Palestine	6.42%
OOREDOO OMR	Oman	5.31%
Cairo Investment & Real Estate Development	Egypt	3.97%
Jordan Islamic Bank	Jordan	2.96%
Al Yah Satellite Communications Company	UAE	2.78%
Human Soft Holding Co	Kuwait	2.34%
Cairo Poultry Company	Egypt	1.98%
Saudi Airlines Catering	KSA	1.59%



ASSET ALLOCATION (MASTER FUND)



GEOGRAPHIC ALLOCATION (MASTER FUND :EQUITIES)



COMMENTARY

The winning streak for MENA equity markets has finally been broken after 12 straight months of gains. A new variant of the coronavirus with more mutations than any other discovered in the final days of November wreaked havoc on global equity markets. Erasing what has been a very strong quarter up to that point in terms of gains and plunging them into the red, markets fell aggressively downwards as response to a potential return of lockdowns which could hamper economic growth. The S&P Pan Arab Investable Index bled 4.50% (YTD 22.36%), and the Dow Jones MENA Index was down by 3.76% (YTD 23.92%). The Arab Bank MENA Fund bucked the trend, rising by 0.05% (YTD 10.43%). The Dow Jones Islamic Market MENA Index also ended the month of November negatively, recording losses of 3.80% (YTD 22.38%). The IIAB MENA Fund though finished the month in the green, gaining 0.67% (YTD 6.20%). The IIAB MENA Feeder Fund consequently gained 0.63% (YTD 5.64%).

The performance of the region's equity markets was almost unanimously negative for November. The list of advancing indices only included two, the Abu Dhabi index which gained 8.66% (YTD 69.40%) and the Dubai Financial Market which was up 7.29% (YTD 23.31%), buoyed by news of a AED2 billion market-making fund to create liquidity in the market. The losing end on the other hand was helmed by the Saudi Arabian TASI which dropped 8.05% (YTD 23.85%) as the price of oil tumbled. It was followed by the Kuwait Premier Market Index which shed 4.52% (YTD 21.39%), the Qatari Index, and the Jordanian ASE index which fell 3.22% (YTD 9.11%) and 2.98% (YTD 24.17%) respectively. The list was rounded by the Omani Stock Exchange which went down by 1.83% (YTD 9.34%), the Bahraini Index which lost 0.77% (YTD 16.10%) and the Egyptian Stock Exchange which shed 0.22% (YTD 5.07%).

It was also bloodshed in global capital markets which also experienced heavy losses stemming from the discovery of the new variant. All major indices, except for one, have recorded losses. The S&P 500 Index lost 0.83% (YTD 21.59%) while the Dow Jones bled 3.73% (YTD 12.67%). In Europe, the French CAC 40 Index was down 1.60% (YTD 21.07%), the German DAX fell 3.75% (YTD 10.07%) and the FTSE 100 had gone down by 2.46% (YTD 9.27%). In Asia, the Nikkei index shed 3.71% (YTD 1.38%), while the Hang Seng fell by 7.49% (YTD -13.79%). Meanwhile, the Shanghai Composite was the sole winner for the month of November, gaining 0.47% (YTD 2.61%).

In November's marquee news, the new head of Dubai's financial market has overhauled the board of the local stock exchange, as part of a series of moves designed to attract listings to the city and catch up with regional rivals that have drawn billions of dollars over the past year. The moves announced included setting up a market-making fund with a size of AED2 billion; in addition to 10 new listings planned over the coming months, including plans to list utility company DEWA in what is likely to be the city's biggest share sale, in addition to toll operator SALIK and a venture capital fund of AED1 billion to invest in tech companies.

Saudi Arabia's economy grew at its fastest pace in nearly a decade in the third quarter, boosted by higher oil prices, according to preliminary estimates from the government. Gross domestic product in the kingdom expanded by 6.8% compared to the same quarter of 2020 according to the General Authority for Statistics, its fastest pace since 2012.

In energy news, Saudi Arabia, Russia and the United Arab Emirates signaled OPEC+ will continue raising oil output cautiously and won't bow to US pressure to pump faster. President Joe Biden, concerned that gasoline prices at a seven-year high are stoking inflation in America, has called on the 23-nation alliance to turn on the taps and bring down crude prices. OPEC+, led by Saudi Arabia and Russia, is currently increasing daily output by 400,000 barrels a month.

The global equity markets were roiled by the discovery of a new mutation for the coronavirus. Heightened uncertainty about potential new lockdowns and travel bans that could impact an already stressed global supply chains sent stocks spiraling downwards. We see this volatility continuing throughout the final month of the year until further studies are conducted regarding the virus' transmissibility and current vaccine efficacy in combating it.



Our elevated cash levels achieved through select selling of certain shares which have surged in November has spared us the worst of this downturn. It also present us with a unique opportunity to both hold onto our gains made during the year going into the final month and pounce on certain names that are now trading at a discount to fair value as a result of the selloff.

INVESTMENT METHODOLOGY & EDGE

AB Invest is one of the oldest, most experienced and fastest growing investment managers in the MENA region with more than a decade of cumulative quality experience in creating regional risk-adjusted investment solutions. Our investment process is underpinned by a focus on "value" selection, using a combination of top down and bottom up approach. Our knowledge of the constraints in the local markets allows us to adjust our approach and tailor a suitable investment process.

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.

This fact sheet is issued by AB Fund Managers (Guernsey) Ltd. IIAB MENA Feeder Fund is a Cell of IIAB PCC Ltd, AB Fund Managers (Guernsey) Ltd and IIAB PCC Ltd are licensed and regulated by the Guernsey Financial Services Commission. AB Fund Managers (Guernsey) Ltd is a wholly-owned subsidiary of the Arab Bank Group which is 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.

For the purposes of FSA regulation, the fund is defined as an "Unregulated Collective Investment Scheme" and the promotion of such schemes either within the UK or from the UK is severely restricted by statute. Consequently, this report is only made available to Professional Clients and Eligible Counterparties as defined by the Financial Services Authority and to persons falling within the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001. The fund is only offered on the basis of the Offering Memorandum and any supplements thereto.

Past performance should not be taken as a guide to the future. The value of investments can fall as well as rise. The full documentation required to make an investment is available from AB Fund Managers (Guernsey) Ltd. at its registered address: 11 New Street, St. Peter Port, Guernsey, GY1 2PF Channel Islands.

