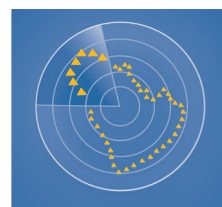


# AL AHLI GULF FUND

## FACT SHEET - AUGUST 2014



الصندوق  
الأهلي الخليجي  
Al Ahli Gulf Fund

### Fund objective

To achieve long-term capital appreciation through investing in the shares of companies listed across all GCC exchanges by realizing outstanding investment returns with an acceptable level of investment risk.

### Executive summary

|                           |                           |
|---------------------------|---------------------------|
| Fund type:                | Open-ended                |
| Subscription /Redemption: | Monthly                   |
| Launch date:              | November 2003             |
| Management fees:          | 1.25%                     |
| Incentive fees:           | 10% over 10% Hurdle       |
| Manager:                  | Al Ahli Bank of Kuwait    |
| Custodian:                | Kuwait Clearing Co.       |
| Nominal price:            | KD 1.000 / Unit           |
| Next dealing date:        | 30 <sup>th</sup> Sep 2014 |
| Last dealing price:       | KD 1.147693 / Unit        |

### Current performance summary

| NAV      | Aug'14 | YTD'14  |
|----------|--------|---------|
| KD 1.148 | +6.55% | +23.48% |

### Monthly performance

| Jan'14 | Feb'14 | Mar'14 | Apr'14 | May'14 | Jun'14 |
|--------|--------|--------|--------|--------|--------|
| +4.23% | +4.39% | +2.64% | +2.86% | +0.97% | -6.39% |
| Jul'14 | Aug'14 | Sep'14 | Oct'14 | Nov'14 | Dec'14 |
| +6.73% | +6.55% |        |        |        |        |

### Historical performance

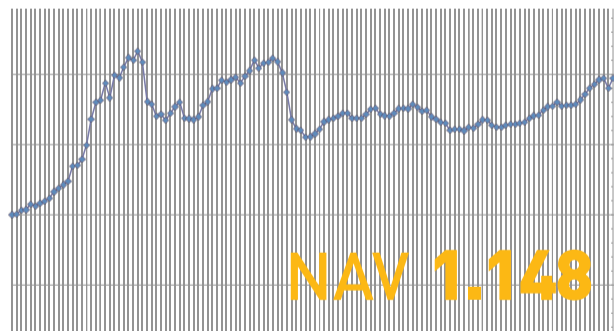
| 2004    | 2005    | 2006   | 2007   | 2008            | 2009   |
|---------|---------|--------|--------|-----------------|--------|
| +31.6%  | +53.1%  | -21.0% | +28.8% | -28.8%          | +10.8% |
| 2010    | 2011    | 2012   | 2013   | Since Inception |        |
| +11.51% | -10.44% | +4.19  | +23.89 | +114.27%        |        |

Returns inclusive of dividends / Bonus distributed

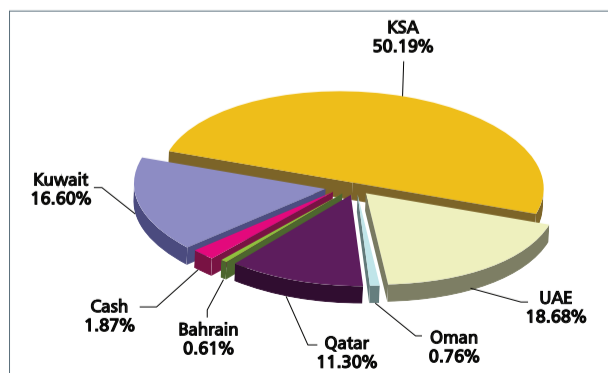
### Profits distributed

| 2004     | 2005     |          | 2006     | 2007            |
|----------|----------|----------|----------|-----------------|
| Cash     | Cash     | Bonus    | Cash     | Cash            |
| KD 0.180 | KD 0.222 | 22.3%    | KD 0.050 | KD 0.130        |
| 2009     | 2010     | 2012     | 2013     | Since Inception |
| Cash     | Cash     | Cash     | Cash     | Cash            |
| KD 0.060 | KD 0.070 | KD 0.030 | KD 0.030 | KD 0.772        |
|          |          |          |          | 22.3%           |

### Performance chart



### GCC market allocation



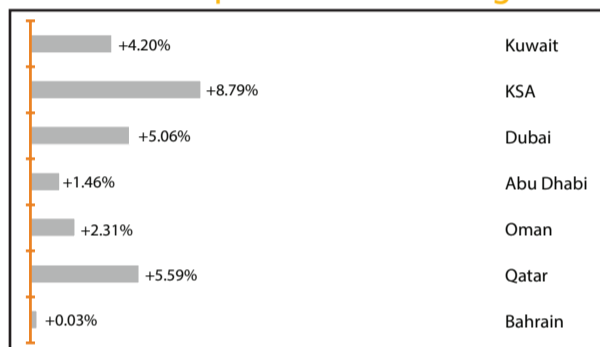
### Country Manager

|         |                             |
|---------|-----------------------------|
| Kuwait  | Ahli Capital Investment Co. |
| KSA     | Sico                        |
| UAE     | NBAD                        |
| Oman    | Bank Muscat                 |
| Qatar   | Sico                        |
| Bahrain | Sico                        |

### Top 3 positions / market

| Kuwait      | KSA           | UAE              |
|-------------|---------------|------------------|
| CGC         | Sabic         | Emaar Properties |
| Gulf Bank   | Al Rajhi Bank | FGB              |
| KRE         | Alinma Bank   | ADCB             |
| Oman        | Qatar         | Bahrain          |
| Bank Muscat | QNB           | Invest corp.     |
| -           | IQ            | AUB              |
| -           | QIB           | Seef Prop.       |

### GCC market performance -Aug'14



### Market review:

All of the seven GCC indices ended August in the green. Saudi's market was the biggest gainer (up 8.79%), while Bahrain's market (up 0.03%) was least.

Exports of crude oil from Saudi Arabia fell in June to their lowest levels in almost three years. The country exported 6.946mn barrels per day (bpd) in June as against 6.987mn bpd in May, the lowest since October 2011. However, production inched up to 9.780mn bpd in June from 9.705mn bpd in May. The decline in exports was due to rise in usage of oil in the country's power sector and increased refining by local refineries. National Commercial Bank stated that the country witnessed significant upswing in the value of contracts awarded to SAR 84.9bn in Q2 2014, up 58.4% from SAR 53.6bn in Q2 2013 and 113.9% from SAR 39.7bn in Q1 2014. Dubai's foreign trade dropped 3.7% YoY to AED 654bn in H1 2014 from AED 679bn. Imports during the period stood at AED 408bn, while exports and re-exports came in at AED 59bn and AED 187bn, respectively. Inflation in Abu Dhabi fell to 3.2% in July from a five-year high of 3.8% in June. The rise was ascribed to higher cost of housing and utilities. Dubai Land Department announced that 17,289 real estate transactions worth AED 37.5bn were conducted in the emirate's real estate market during the first half of 2014. The Ministry of Development Planning and Statistics stated that Qatar's monthly producer price index of the Industrial sector increased 4.1% YoY to 171.3. On a monthly basis, the index rose 0.6% during the month. Bahrain's construction sector grew 40% in the first seven months of 2014. The figures were released ahead of the annual GCC Construction Conference in October, which would provide contractors to discuss the region's construction potential as well as the challenges faced by the sector. Oman's service sector ranked second after the hydrocarbon sector in the composition of the country's GDP. With a 39.7% share of total real GDP, the sector grew 7.4% during 2012 compared to 7.7% in 2011. Exports from Oman declined 7.9% YoY to OMR 5,143mn in Q1 2014 from OMR 5,582.6mn, mainly due to lower oil and gas exports, which eased 9.3% YoY to OMR 3,372.3mn.

The Al-Ahli Gulf Fund recorded a gain of +6.55% MTD and +23.48% YTD. The S&P GCC Composite Price Index on the NAV date was +6.42% MTD and +24.49% YTD. The Gulf Funds gain since inception stood at +114.27%. The NAV of the fund was KD 1.147693 on 31st August 2014.

The current GCC allocations remain stable with a selective allocation of Blue Chip stocks across the region. The fund holdings are constantly monitored for the various risk factors by our investment team and appropriate action to rebalance the country allocation, cash percentages, as well as sector allocations is taken when needed.



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