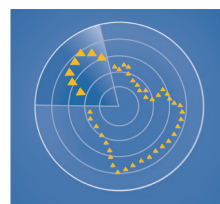


# AL AHLI GULF FUND

## FACT SHEET - OCTOBER 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> Nov. 2014
Last dealing price:	KD 1.098378 / Unit

### Current performance summary

NAV	Oct.'14	YTD'14
KD 1.098	-4.33%	+18.31%

### 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%	+0.03%	-4.33%		

### Historical performance

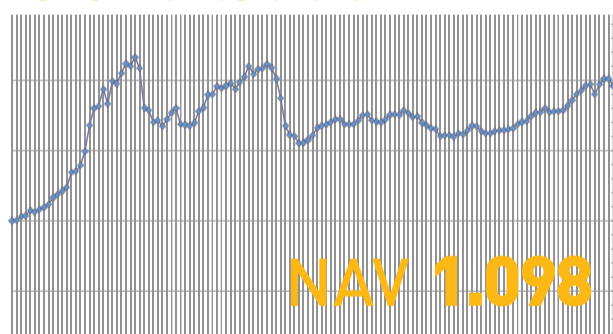
2004	2005	2006	2007	2008	2009
+31.6%	+53.1%	-21.0%	+28.8%	-28.8%	+10.8%
2010	2011	2012	2013	Since Inception	
+11.51%	-10.44%	+4.19	+23.89	+114.30%	

Returns inclusive of dividends / Bonus distributed

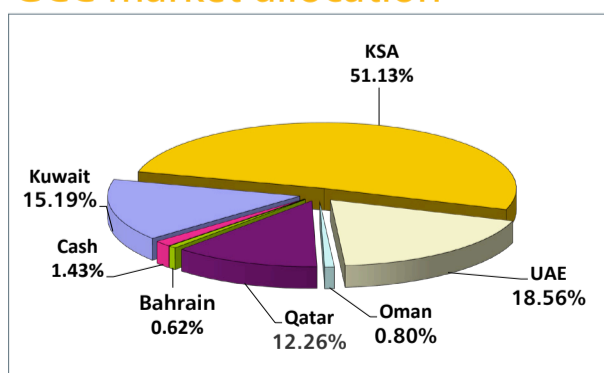
### Profits distributed

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

### Performance chart



### GCC market allocation



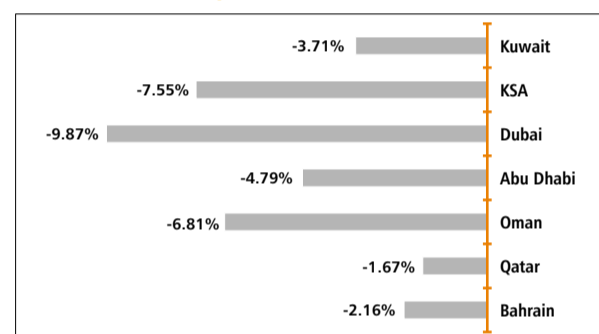
### Country

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	NCCI	Emaar Properties
Gulf Bank	Samba	FGB
AUB	Sabir	ADCB
Oman	Qatar	Bahrain
Bank Muscat	QNB	Invest corp.
-	IQ	AUB
-	GIS	Seef Prop.

### GCC market performance - Oct.'14



### Market review:

All of the GCC indices ended October in the red. Dubai's market was the weakest performance (down 9.87%), followed by the Saudi's market (down 7.55%).

The Al-Ahli Gulf Fund recorded a loss of -4.33% MTD and +18.31% YTD. The S&P GCC Composite Price Index on the NAV date was -6.79% MTD and +14.44% YTD. The Gulf Funds gain since inception stood at +109.34%. The NAV of the fund was KD 1.098378 on 30th October 2014.

According to data released by the Central Department of Statistics and Information (CDSI), Saudi Arabia's economy expanded 3.8% YoY in Q2 2014. However, sequentially, the economy contracted 1.3% compared to Q1 2014. The volume of bank credit in Saudi Arabia grew 0.8% by the end of August 2014 compared to July 2014. Medium-term credits grew 3.0% whereas long-term credits rose by 0.8%. According to a report published by Euler Hermes, the UAE's GDP is expected to grow at 4.2% in 2014 and 4.5% in 2015. It added that the country's exports are expected to grow 6.0% in 2014. As per the Dubai Chamber of Commerce and Industry, the UAE's IT market is estimated to grow at a compound annual growth rate of 8.5% until 2018. A KPMG report stated that the asset base of Qatari banks has increased 9% in the first three quarters of the year up to September, as a result of higher lending. According to preliminary figures released by the Ministry of Development Planning and Statistics, Qatar's trade surplus shrank 19.9% in Sep 2014, compared to Sep 2013. The Bahrain Economic Development Board stated that the country will invest a total of USD22bn in infrastructure over the next four years. This will help boost the economy and will help strengthen Bahrain's regional competitiveness. According to the IMF, Bahrain's gross domestic product (GDP) is expected to grow at 3.3% during 2014-15. According to Oman's leading projects tracker, MEED projects, the country's projects market is set to receive a massive boost. The value of exports from Oman during H1 2014 declined 9.6% compared to last year.

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.