# AHLI INTERNATIONAL MULTI-ASSET HOLDING FUND

## FACT SHEET - JULY 2020

الصندوق الأهلي الدولي متعدد الأصول القابض
Ahli International Multi-Asset Holding Fund

## Fund Objective

Aims to provide long-term capital appreciation and diversify risk globally with investments spread across asset classes and licensed funds.

## Executive Summary

| | |
|---|---|
| Fund type | Open-ended |
| Asset Class | Multi-Asset |
| Investment Universe | International |
| Launch Date | December 2018 |
| Risk Categorization | Moderate |
| Currency | KWD |
| Minimum Subscription | KWD 500 |
| Subscription / Redemption | Monthly |
| Subscription Fee | 1.00% |
| Management Fee | 1.35% |
| Fund Manager | Ahli Capital Investment Company K.S.C.C. |
| Investment Manager | BlackRock Asset Management Limited |
| Custodian | Gulf Custody Company |
| Auditor | Deloitte & Touché |

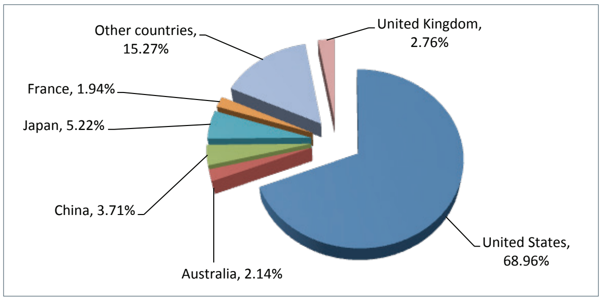
## Current Performance Summary

| NAV | Jul'20 | YTD'20 |
|---|---|---|
| 10.697371 | 2.02% | -3.66% |

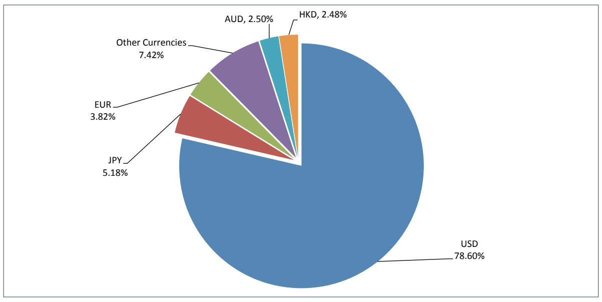
## Top 5 Funds

| Classification | Weight | NAME |
|---|---|---|
| Equity | 10.66% | ISHARES EDGE S&P 500 MIN VOL |
| Equity | 10.12% | ISH MSCI USA ETF $ ACC |
| Equity | 10.08% | BLK ADV US EQ FD D ACC USD |
| Equity | 9.61% | ISHARES CORE S&P 500 UCITS ETF USD |
| Equity | 7.64% | ISH CORE MSCI EM IMI ETF USD ACC |

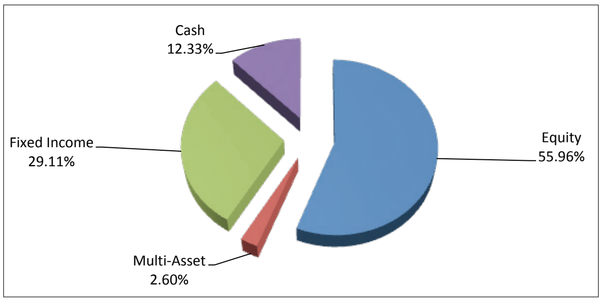
## Geographical Allocation



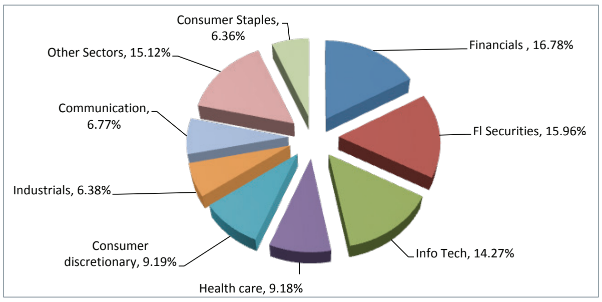

## Currency Allocation




## Asset Allocation




## Sector Allocation

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AHLI CAPITAL

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### Market Commentary:

For the month of July, economic activity has improved since regional lockdowns were lifted in response to a reduction in COVID-19 cases. In addition, progress is being made towards a potential vaccine as early-stage trials delivered positive results. Developed markets were up 3.4% in local currency terms and 4.8% in $ terms while emerging markets gained 8.2% in local currency terms and 9% in $ terms. The dollar saw its biggest monthly drop in a decade as investors feared that a rebound in the US economy would be derailed by the struggle to stem the COVID-19 pandemic. Moreover, Trump's suggestion of delaying the presidential election further undermined confidence in the dollar. The currency declined 5% against the EUR and 5.9% against the GBP. Weakness in the USD propelled the euro higher, locking in a gain of 5.3%, its largest monthly gain in nearly 10 years. The EU agreed the EUR 750 billion recovery fund in response to the ongoing pandemic. The fund will be backed by common bond issuance by the European Commission. The move increased investor appetite for European assets. On the geopolitical front, tensions between US and China escalated as Donald Trump signed legislation and an executive order to punish China over its actions in Hong Kong where Beijing has implemented a new security law in violation of international agreements. US treasuries returned 1.3% while UK gilts returned 0.4% over the month.

The policy response to Covid-19 from central banks and governments has been swift and sizeable and helped lift markets. In July, however, major central banks took a backseat, having already flooded markets with liquidity and taken rates close to their lower bounds. Economic indicators such as composite PMI saw a significant improvement relative to June, especially for the UK and Eurozone, pointing to steep expansion. This was driven by strong growth in manufacturing output and service activity. Economic data for the US was somewhat mixed. Although the US composite PMI only saw a small increase, the reading signalled the first instance of growth since January. In fact, US retail sales have rebounded by 27% since their low in April and are just 1% below their peak in January. However, US GDP for Q2 fell by an annualized rate of 32.9% (compared with Q1), the largest decline since the Second World War. The labour market recovery appears to be stalling as initial jobless claims remain high and are no longer falling. The eurozone recorded the largest ever quarterly decline of 12.1% in GDP for Q2. However, Europe has been credited with better management of the virus than other regions and thus, activity there has resumed.

Within fixed income, 10-year government bonds delivered positive performance. Italian and Spanish bonds were among the notable performers, seeing declines in yield of 0.25% and 0.13% respectively. Benchmark 10-year yields fell by 12bps to 0.54% in the US, 1bp to 0.02% in Japan, 7bps to -0.53% in Germany and 7bps to 0.11% in the UK. As economic fundamentals improved, (Brent) oil prices climbed 4.6% over the month, ending the month at $43 a barrel. Gold delivered a strong return of 10.7% over the month as US-China tensions and the COVID-19 pandemic weighed on investor sentiment. The fall in US 10-year yields and dollar weakness further bolstered the performance of gold which ended the month at $1,975/ounce.

### Disclaimer: