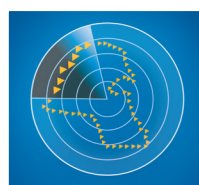


AL AHLI KUWAITI FUND

FACT SHEET - FEBRUARY 2014



الصندوق
الأهلي الكويتي

Al Ahli Kuwaiti Fund

Fund objective

To achieve capital growth through investing in the shares of companies registered at the Kuwait Stock Exchange by realizing outstanding investment returns above the market average with an acceptable level of investment risk.

Executive summary

Fund type:	Open-Ended
Subscription /Redemption:	Monthly
Launch date:	February 2003
Management fees:	1.50%
Manager:	Al Ahli Bank of Kuwait
Local Manager	Ahli Capital Investment Co.
Custodian:	Kuwait Clearing Co.
Nominal price:	KD 1.000 / Unit
Next dealing date:	31 st Mar 2014
Last dealing price:	KD 0.908390 / Unit

Current performance summary

NAV	Feb'2014	YTD'14
KD 0.908	+0.91%	+0.63%

Monthly performance

Jan'14	Feb'14	Mar'14	Apr'14	May'14	Jun'14
-0.28%	+0.91%				
Jul'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14

Historical performance

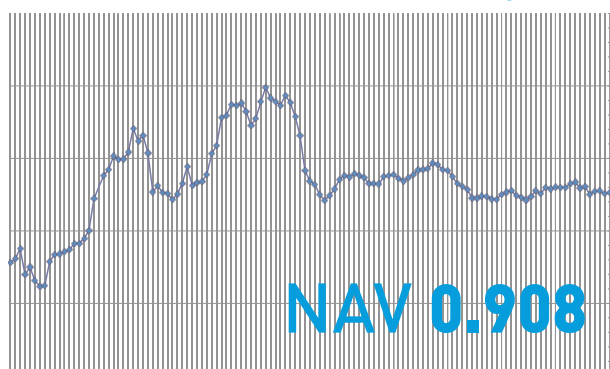
2003	2004	2005	2006	2007	2008	2009
+37.8%	+2.7%	+57.5%	-15.4%	+32.5%	-27.9%	+0.9%
2010	2011	2012	2013	Since Inception		
+13.40%	-14.96%	+7.79%	+2.70%	+89.94%		

Returns inclusive of dividends / Bonus distributed

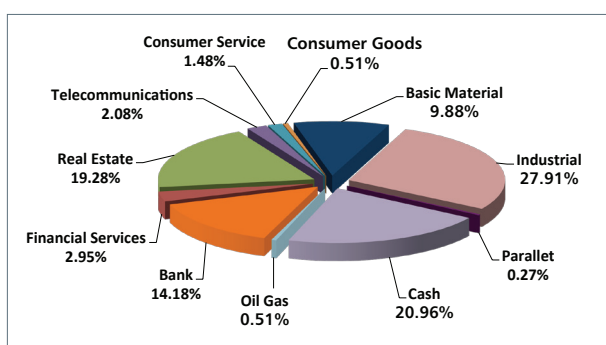
Profits distributed

2003	2004	2005	2006	2007
Cash	Cash	Cash	Bonus	Cash
KD 0.190	KD 0.070	KD 0.105	15.6%	KD 0.120
KD 0.060	KD 0.080	KD 0.050	KD 0.835	15.6%

Performance chart since inception



Sector allocation



Fund top 5 positions

1	BPCC
2	CGC
3	NBK
4	Mabanee
5	ALAFCO

Fund performance analysis

Best month performance	+17.5%
Worst month performance	-17.71%
No. of up months	76
No. of down months	57
Average monthly gain	+67.62%

Market performance

	MTD	YTD
Kuwait price index	-0.81%	+1.90%
Kuwait weighted index	+1.06%	+2.61%
KIC index	+1.27%	+2.35%

Fund review:

The Fund's NAV for February 2014 was 0.908390 while the respective index closings were as follows, The KSE price index, KSE weighted index and the KIC index closed at 7,692.75, 464.95 and 522.59 points respectively.

The Al Ahli Kuwaiti fund performance was +0.91% MTD and +0.63 YTD as compared to KSE price index +0.81% MTD and +1.90 YTD, KSE Weighted Index +1.06% MTD and +2.67 YTD and KIC Index +1.27% MTD and +2.35 YTD.

Market review:

The Kuwait Stock Exchange (KSE) closed lower at 7,692.75 in February 2014, losing 63 points (or 0.81%). Trading volumes during the month were low as the KSE witnessed only 17 trading sessions. Investor sentiment remained subdued over concerns that many companies would be unable to fulfill the Capital Markets Authority (CMA)'s condition and be suspended from trading. The CMA had asked the companies to disclose Q4 2013 earnings latest by the end of February 2014. On the positive side, the S&P affirmed its high credit rating for Kuwait and maintained a stable outlook. Also, Kuwait's government granted permission to boost the capacities of oil refineries; the new capacities would produce over 1.4mn barrels per day (bpd) from the existing 0.93mn bpd.

In international markets, the US housing market index declined sharply by 10 points to 46 in February 2014 (consensus: 56; January 2014: 56). This reading (the lowest since May 2013) resulted largely due to severe weather conditions in the US. Meanwhile, housing starts fell 16.0% MoM to 0.89mn units in January 2014 (consensus: 0.95mn; December 2013: 1.05mn). The US Consumer Confidence Index dropped below expectations to 78.1 in February [consensus: 80.1; January: 79.4 (revised)]. This was mainly because fewer Americans projected an improvement in business conditions over the next six months, raising concerns over jobs and income outlook. The US PMI Services (flash) declined to 52.7 in February [January: 56.7 (revised)], signaling a slowdown in business activity. In the Eurozone, the Single Supervisory Mechanism (SSM) took a tough stance and emphasized that weaker banks would be eventually shut down, thus evading speculation that a wave of consolidation could save the weakest lenders. Meanwhile, Germany's Q4 2013 GDP expanded 0.4% QoQ, in line with market expectations, driven by a 2.6% QoQ rise in exports. Germany's Purchasing Managers' Index rose to 54.0 in January 2014 from 52.7 the previous month. New orders across the Eurozone rose at the fastest pace in nearly three years and factories increased headcount to meet demand. The money supply (M3) rose 1.2% YoY in January (consensus: 1.1% increase), while private loans declined for the 21st consecutive month at an annual rate of 2.2%. In January, China's Conference Board Leading Economic Index (LEI) rose 1.2% MoM (December: +0.8% MoM) and the Coincident Economic Index (CEI), aggregate of six economic indicators, increased 0.2% MoM (December: +1.5% MoM). Japan's current account deficit widened to YEN 638.6bn (USD 6.2bn) in December due to rising imports. Current account surplus for the full year 2013 was YEN 3.3trn (USD 32.2bn), the lowest since 1985. Imports rose 15.4% YoY, while exports climbed 9.0% YoY in 2013.

The volume of shares traded on the KSE declined 48.99% to 4.49bn, while the value traded fell 30.55% to KWD 532.66mn. The Financial Services (1.75bn) and Real Estate (1.39bn) indices accounted for 70.04% of the total traded volume. Banking (KWD 145.20mn) and Financial Services (KWD 142.43mn) together accounted for 54.00% of the total traded value. Market capitalization increased 0.44% to KWD 30.27bn.

The fund managers constantly take into account the volatility of the stock market as a whole in deciding the asset mix and cash percentages the strategy has helped in controlling volatility in the fund's performance.