

# AL AHLI KUWAITI FUND

## FACT SHEET - JANUARY 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:	28 <sup>th</sup> Feb 2014
Last dealing price:	KD 0.900182 / Unit

### Fund top 5 positions

1	NBK
2	BPPC
3	CGC
4	Mabaneer
5	ALAFCO

### Fund performance analysis

Best month performance	+17.5%
Worst month performance	-17.71%
No. of up months	75
No. of down months	57
Average monthly gain	+67.52%

### Current performance summary

NAV	Jan'2014	YTD'14
KD 0.900	-0.28%	-0.28%

### Monthly performance

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

### Historical performance

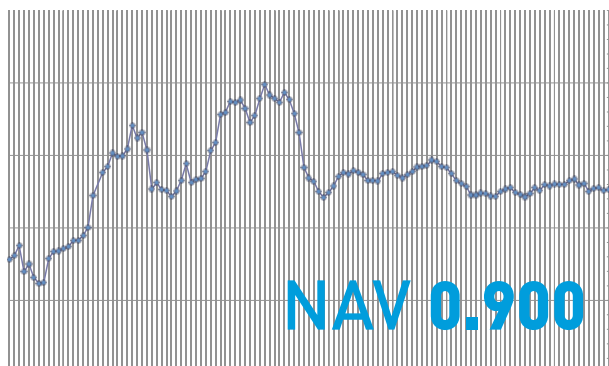
2003	2004	2005	2006	2007	2008	2009
+37.8%	+2.7%	+57.5%	-15.4%	+32.5%	-27.9%	+0.9%
2010	2011	2012	2013	Since Inception		
+13.40%	-14.96%	+7.79%	+2.70%	+89.12%		

Returns inclusive of dividends / Bonus distributed

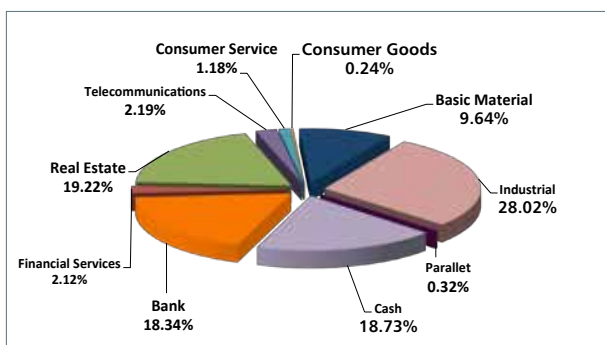
### Profits distributed

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



### Market performance

	MTD	YTD
Kuwait price index	+2.73%	+2.73%
Kuwait weighted index	+1.59%	+1.59%
KIC index	+1.07%	+1.07%

### Fund review:

The Fund's NAV for January 2014 was 0.900182 while the respective index closings were as follows, The KSE price index, KSE weighted index and the KIC index closed at 7,755.80, 460.07 and 516.05 points respectively.

The Al Ahli Kuwaiti fund performance was -0.28% MTD and YTD as compared to KSE price index +2.73% MTD and YTD, KSE Weighted Index +1.59% MTD and YTD and KIC Index +1.07% MTD and YTD.

### Market review:

The Kuwait Stock Exchange (KSE) ended in the green, gaining 206 points, or 2.73%, to end at 7,755.80 in January 2014. Market sentiment remained positive as new ministers took oath. Moreover, the reports that the oil sector is forecast to grow 4.0% in 2014 gained momentum. Inflation moderated to 2.6% YoY in November 2013 vis-à-vis 2.7% YoY in October 2013 due to a decline in food prices for the sixth consecutive month. On the negative side, government-owned Kuwait Petroleum opined that oil prices are expected to fall by mid-2014; major international agencies echoed the opinion. FY 2013 earnings remained mixed and investors await February, when most companies are expected to announce their results.

In international markets, the IMF upgraded its 2014 global growth outlook to 3.7%, up 0.1% from its forecast in October 2013, led by a recovery in the US. The growth would be driven by advanced economies; emerging markets are witnessing a slow growth. In his final meeting as Federal Reserve Chairman, Ben Bernanke announced a USD10bn reduction in its monthly bond purchases from USD75bn to USD65bn (effective February) in the second straight month of tapering stimulus efforts. This was done as the Fed perceives the economy has gained strength and forecasts better economic growth this year. The trade deficit narrowed to the lowest level since October 2009 to USD34.3bn in November 2013 (consensus: USD39.9bn, October: USD39.3bn). Exports rose 0.9% MoM in November 2013 to USD194.9bn, primarily driven by industrial supplies, commercial aircraft, and capital goods (excluding autos). Imports fell 1.4% MoM on decline in industrial supplies, foods/feeds/beverages, and consumer goods. The Conference Board's consumer confidence index advanced to 80.7 from a revised 77.5 in December, indicating that the economy and labor market improved. In the Eurozone, the European Central Bank (ECB) ruled out another interest rate cut, but reiterated its plans of lower interest rates in order to boost the economy. The European Union's Composite PMI stood at 52.1 in December 2013 (consensus: 52.1, November: 51.7), while Services PMI fell to a four-month low of 51.0 in December 2013 (consensus: 51.0, November: 51.2), reflecting subdued activity in domestic markets. The European Commission formally proposed the draft law to rein in excessive trading risks by big banks, which had led to the 2007-09 financial crisis. However, Germany and France were discontented with the European Union's plan to curb the powers of big banks as it can jeopardize the economic recovery. The UK economy expanded 0.7% QoQ and 2.8% YoY in Q4 2013. However, the growth rate of 1.9% YoY in 2013 is the fastest since 2007. This growth was witnessed in all sectors of the economy except the construction industry.

The volume of shares traded on the KSE rose 71.73% to 8.80bn, while the value traded gained 48.69% to KWD 766.97mn. The Financial Services (3.19bn) and Real Estate (2.96bn) indices represented 68.94% of the total traded volume; the two sectors also led in terms of traded value, together accounting for 53.57%. Market capitalization grew 1.52% to KWD30.14bn.

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.



Ahlan Ahli 1 899 899  
www.eahli.com