

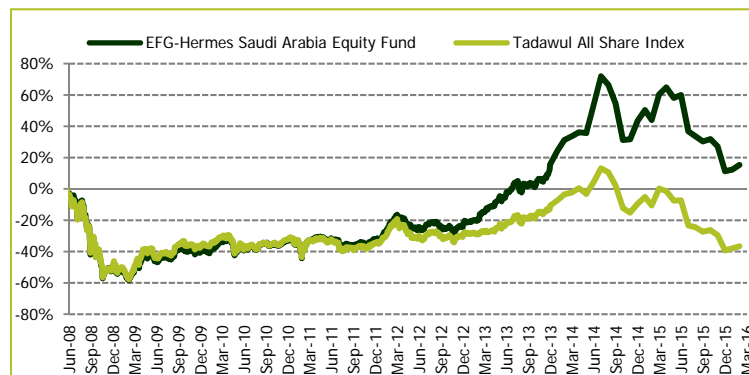
### Fund Manager's Strategy & Outlook

The Saudi market continued its recovery in March with the Tadawul All Share Index gaining 2.1% for a YTD loss of 10.0%. The Fund gained 2.6% during the month and is now down 9.4% YTD. Turnover decreased slightly MoM with daily traded value averaging SAR 5.7 billion.

Saudi Arabia's economic growth will likely slow to below 2% this year as the government of the world's biggest oil exporter cuts spending after the plunge in crude prices, a senior central bank official said. Elsewhere, the Council of Economic and Development Affairs (CEDA) approved 133 recommendations on improving the competitiveness of the kingdom's economy which will be announced within the next six months. These recommendations are part of the National Transformation Program (NTP) which is being overseen by CEDA and headed by Deputy Crown Prince Mohammed bin Salman, and is expected to implement changes including privatizations of state assets and reductions of state subsidies when formally announced in the coming weeks.

TASI sectors performance was mixed in March. Real estate, insurance, and telecom were the best performing sectors gaining 10.6%, 9.6%, and 7.9%, respectively. On the other hand, hotel & tourism, retail, and industrial investment were the worst performing sectors losing 6.0%, 4.6%, and 4.5%, respectively. Banks underperformed losing 0.8% while petrochemicals outperformed gaining 4.1%. The Investment Manager reduced exposure to retail and building & construction companies in March while maintaining a high cash level of 16.1%.

Brent continued to recover and closed the month at USD 39.6/barrel. A highly anticipated meeting will be held on the 17<sup>th</sup> of April between OPEC and non-OPEC producers to discuss a potential production freeze, and the first quarterly results post the subsidy cuts announced in December 2015 will be reported during the first 3 weeks of April. The Investment Manager doesn't expect positive outcomes and hence maintains his cautious view on the market's short term outlook.



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### Objective

The principal objective of the Fund is medium and long term capital appreciation through investing in Saudi Arabian equity and equity related securities.

### Fund Performance

	Saudi Fund	TASI <sup>1</sup>	Difference
Month to Date**	2.6%	2.1%	0.5%
YTD	-9.4%	-10.0%	0.6%
2015	-3.4%	-17.1%	13.7%
2014	17.2%	-2.4%	19.6%
2013	48.8%	25.5%	23.3%
2012	11.2%	6.0%	5.2%
2011	1.8%	-3.1%	4.9%
Inception to Date*	15.3%	-36.6%	51.9%

\*Fund's inception date was June 17<sup>th</sup>, 2008

\*\* MTD figures reflect performance between February 29, 2016 and March 31, 2016

<sup>1</sup>TASI is a price return index

### Fund Characteristics

No. of Holdings	25
Weighted Market Cap	SAR 49.1 billion
Dividend Yield*	4.9%
P/E Ratio 16	10.8

\*Figure reflects the weighted average yield of a dividend-bearing security in the fund

### Fund Metrics

	Saudi Fund	TASI
Volatility	23.3%	22.8%
Beta *	1.0	-

\*\* Calculated vs. the Tadawul All Share Index (TASI) since the Fund's inception

### Top Three Equity Holdings

Holding	Sector	% of NAV
Saudi Basic Industries	Petrochemical Industries	6.1%
Al Rajhi Bank	Banks & Financial Services	5.5%
Samba Financial Group	Banks & Financial Services	5.3%

### Fund Data

NAV per Share	SAR 11.5314
Management Fee	2%
Minimum Subscription	SAR 50,000
Subscription / Redemption	Twice Weekly
Inception Date	June 17, 2008

### Fund Identifiers

ISIN Code	XC000A1W4DX3
Bloomberg Ticker	EFGSAUD AB
Reuters Code	LP65122906

### Allocation by Economic Sector

