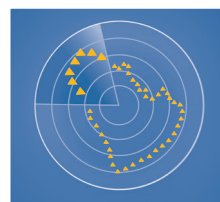


AL AHLI GULF FUND

FACT SHEET - JULY 2013



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:	26 th Aug 2013
Last dealing price:	KD 0.937875 / Unit

Current performance summary

NAV	July'13	YTD'13
KD 0.938	+3.06%	+18.12%

Monthly performance

Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13
+3.77%	+1.91%	+0.62%	+4.35%	+2.62%	+0.59%
Jul'13	Aug'13	Sep'13	Oct'13	Nov'13	Dec'13
+3.06%					

Historical performance

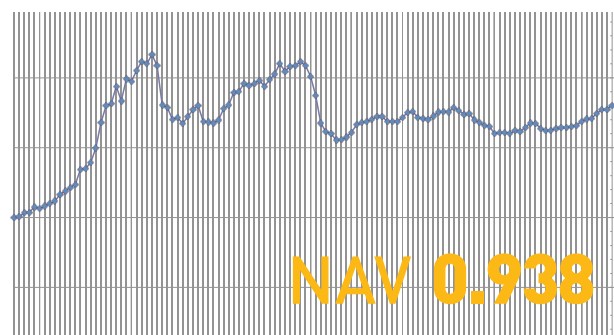
2004	2005	2006	2007	2008	2009
+31.6%	+53.1%	-21.0%	+28.8%	-28.8%	+10.8%
2010	2011	2012	Since Inception		
+11.69%	-10.01%	+4.19	+87.29%		

Returns inclusive of dividends / Bonus distributed

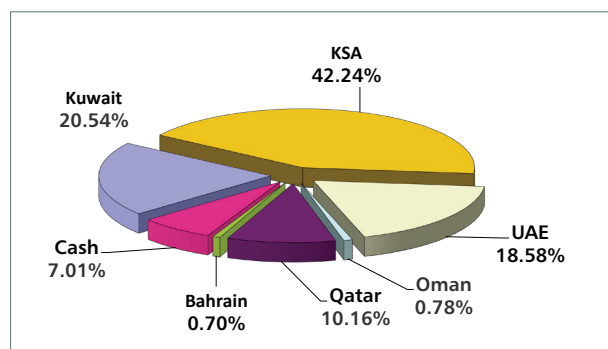
Profits distributed

2004	2005		2006	2007
Cash	Cash	Bonus	Cash	Cash
KD 0.180	KD 0.222	22.3%	KD 0.050	KD 0.130
2009	2010	Since Inception		
Cash	Cash	Cash	Bonus	
KD 0.060	KD 0.070	KD 0.712	22.3%	

Performance chart



GCC market allocation



Country Manager

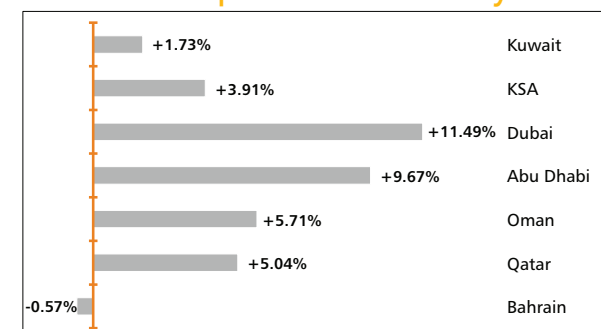
Kuwait	Ahli Capital Investment Co.
KSA	Sico
UAE	NBAD
Oman	Bank Muscat
Qatar	Sico
Bahrain	Sico

Top 3 positions / market

Kuwait	KSA	UAE
CGC	Al Rajhi	Emaar
MTC (Zain)	Sabic	NBAD
Aqar	Etisalat	ADCB
Oman	Qatar	Bahrain
Bank Muscat	QNB	Invest corp.
-	IQ	-
-	QEWC	-

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GCC market performance -July'13



Market review:

All the GCC indices ended the month of July in a positive performance. The UAE's DFM was the highest gainer followed by its ADX. The KSE was +3.83%, Saudi (TASI) +5.58%, UAE (DFM) +16.47%, UAE (ADX) +8.34%, Oman (MSM)+4.81%, Qatar (DSM) +4.63%, and Bahrain (BAX) +0.60%.

- Kuwait's KSE gained 3.83% to end at 8,070.17. Consumer Services (up 19.83%) led among sectors, followed by Oil & Gas (up 7.22%). Among stocks, IFA Hotels & Resorts Co. (up 72.09%) advanced the most. On the rating front, Fitch affirmed Kuwait's long-term foreign and local currency Issuer Default Ratings (IDRs) at 'AA' and short-term foreign currency IDR at 'F1+', with a 'stable' outlook. In addition, the country's ceiling rating is affirmed at 'AA+'. Kuwait's money supply (M2) increased KWD 2.48bn or 8.7% to KWD 31.07bn at the end of FY 2012-13 compared with KWD 28.59bn at the end of FY 2011-12. Moody's rating agency expects non-performing loans to decrease to 5-6% from 10.4% in 2009. Credit growth is estimated at 5-8% in 2013 and 8-10% for 2014. Non oil GDP is forecasted to increase to 3.2% due to the government's current account spending. Kuwait presented the budget for 2013-14. Revenues are estimated at KWD 18.1bn, 30% higher than the previous year's estimate. Oil revenues are projected to be 93.3% of the total income. Expenditure is estimated to be lower compared with that of the previous year. The budget estimated deficit of KWD 2.9bn lower than last year's deficit of KWD 7.3bn (USD 26bn). Budget surplus for 2012-13 is estimated at KWD 10.9bn (USD 38bn).
- Bahrain's BAX reversed the previous month's losses to end 0.60% higher at 1,194.90. Sector-wise, Industrial (up 4.66%) rose the most, while Investment (down 0.72%) led losers. Among stocks, Ithmaar Bank (up 10.42%) was the top gainer. Al Salam Bank (up 9.78%), one of the biggest gainers, reported a net profit of BHD 6.02mn in H1 2013 compared with a loss of BHD 0.81mn in H1 2012.
- Qatar's DSM added 4.63% to end at 9,704.98. The Telecommunication sector (up 13.43%) advanced the most, followed by Banks & Financial Services (up 6.02%). Qatar General Insurance & Reinsurance Co. (up 19.74%) rose the most among stock. Qatar's real GDP increased 6.2% YoY in Q1 2013 due to diversification towards manufacturing and services in addition to hydrocarbon exports. S&P forecasted that Qatar's real GDP would contract an average 0.5% over 2013-16 due to a possible decline in the large investment program to enhance LNG production capacity to 77mn tons per year. Furthermore, S&P estimates the general government net asset position would remain strong over 70% of GDP.
- Saudi Arabia's TASI ended 5.58% higher at 7,915.11. The Hotel & Tourism sector (up 19.96%) was the biggest gainer, while Media & Publishing (down 10.03%) led losers. Among stocks, Al Babbtain Power & Telecommunication Co. (up 31.22%) advanced the most. Saudi Arabia's real GDP grew 2.1% YoY in Q1 2013 compared with 4.4% in Q4 2012. The private sector contributed 2.6% and government 0.9% to non-oil GDP growth. The oil sector recorded a decline of 1.4% due to lower oil production. The oil sector's share in overall real GDP declined to 19.6% from 21.3% a year earlier. Inflation across KSA rose 3.5% YoY in June 2013 compared with 3.8% in the previous month. Saudi Arabia's non-oil commodity exports increased 5.9% YoY to SAR 16.02bn in May 2013, while imports rose 2.8% to SAR 52.48bn.
- The UAE's DFM added 16.47% to end at 2,588.53. The Investment & Financial Services sector (up 31.89%) led gainers. Among stocks, Dubai Investment Co. (up 45.04%) was the top gainer. The UAE's ADX closed 8.34% higher at 3,847.43. Real Estate (up 22.84%) was the top gainer among sectors. Commercial Bank International (up 93.04%) advanced the most among stocks. UAE's inflation rose 1.25% YoY and 0.26% MoM in June 2013. IMF has forecasted inflation of 2.0% for 2013. UAE's Purchasing Manager's Index (PMI) fell to 54.1 in June 2013 from 55.3 in May 2013, indicating a slowdown in non-oil business activity. Wage inflation increased at a record rate. According to the IMF, UAE's total budget revenues increased 12.5%. Oil export earnings growth was driven mainly by crude oil prices that rose to their highest average of USD 112 per barrel, while country's oil output also remained at one of its highest levels of 2.6mn barrels per day.
- Oman's MSM added 4.81% to end at 6,643.34. The Banking & Investment sector (up 6.37%) advanced the most. Among stocks, Al Anwar Holding Co. (up 44%) led gainers. Oman reported a budget deficit of OMR 110.4mn for the first five months of 2013 compared with a surplus of OMR 1.58mn in the corresponding period last year. The public revenue fell 5% during the 5 month period compared to the year ago period. Total public expenditure rose 3.6% YoY.

Fund review:

The Al-Ahli Gulf Fund recorded a gain of +3.06% MTD and +18.12% YTD. The S&P GCC Composite Price Index on the NAV date was +3.85% MTD and +13.83% YTD. The Gulf Funds gain since inception stood at +87.29%. The NAV of the fund was KD 0.937875 on 29th July 2013.

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.

