

Ubhar GCC Fund

Fund Objectives: Ubhar GCC Fund aims to provide consistent returns with low volatility by investing in equities, bonds and sukuks listed on GCC bourses while maintaining a portfolio structure that is diversified across sectors and countries, it is designed to capture growth and rerating potentials in specific companies or sectors with an acceptable risk.

Asset Type	Equity & Fixed Income
Geographic Focus	GCC
Fund Manager	Ubhar Capital SAOC
Benchmark	S&PGCC Composite US Dollar Composite Index
Domicile	Oman
Launch Date	Dec 22, 2009
Current Fund Size	OMR 8,546,105
NAV Frequency	Weekly on Thursday after 3.00 pm Oman time
Management Fee	1.50% per Annum
Performance Fee	15% of amount exceeding 10% over NAV
Redemption Fee	1.50%
Min Investment	1,000 Units and multiples of 100 units
Nominal Value	OMR 1.00
Auditor	KPMG Oman
MSM Code	UBHARGCC
Reuters Code	LP68032666
Bloomberg	OMALARA OM EQUITY

Fund Manager Commentary:

GCC markets started the year with some gradual recovery amid minimal volatility. The performance of GCC markets was largely positive in January of this year except for MSM30 which witnessed a -1.9% monthly decline. The positive performance was also reflected in the S&P GCC Index which surged 5.3% during the month. Markets also got support from oil prices that reached the highest level in three years and remained above \$67/barrel supported by improving global economic growth. The Doha Exchange rose the most in January, as it recorded a whopping 8% uptick, as most major sectors closed in the green. The Saudi TASI climbed in January by 5.9%, supported mainly by banking sector. ADX Abu Dhabi followed with gains of 4.6%, as larger sectors performed well. The Kuwaiti market ended the month with a gain of 4.4%. Lastly, the DFM Dubai was range bound, as it recorded a shy performance of 0.7%.

GCC markets' gains during January were led by large caps (mainly Banks and Financial services), on the back of positive earnings announcements for full year 2017. The net income reported by 29 GCC banks by the end of the month showed an increase of around 15% YoY.

On the economic front, the surge in oil prices over the past few months has enhanced GCC government's confidence. Spending is expected to increase after being rationalized over the past two years and deficits are expected to be lower in 2018 than levels witnessed in 2017 and 2016.

We expect market activity to flourish due to nearing dividends season. For the coming quarter we will utilize the cash to enhance the dividend income by increasing existing positions and at the same time going long in high yielding financially sound companies mainly in Saudi, UAE and Oman.

Calendar Year Return

	UBHARGCC FUND	BGCC200 Index*	S&P GCC Index**
2018	3.67%		5.31%
2017	-2.81%		-2.70%
2016	1.33%	4.29%	-0.01%
2015	-4.58%	-13.76%	-17.43%
2014	6.90%	0.40%	-2.51%
2013	26.20%	26.60%	25.01%
2012	3.40%	3.70%	3.18%
2011	-10.20%	-9.30%	-8.22%
2010	6.06%	8.95%	12.83%

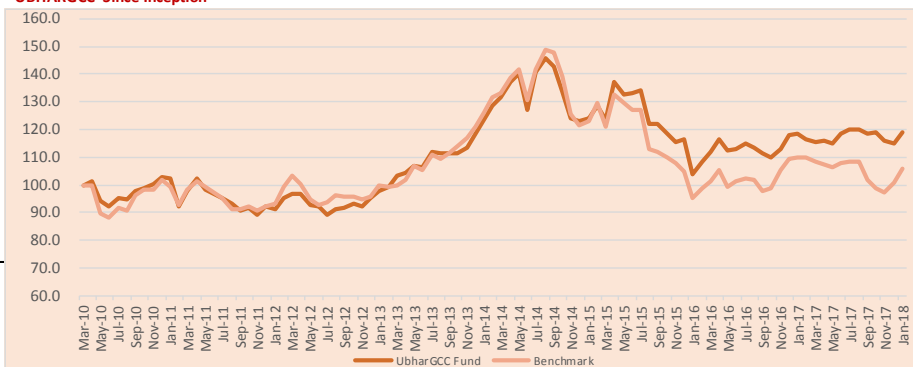
* BGCC200 Index was the previous benchmark for the Fund

** On 1st September 2017, Bloomberg has discontinued the BGCC200 Index.

Consequently, from 1st September 2017, we have employed the S&P GCC Composite Index to measure performance of your Fund.

*** S&PGCC index has been added into YTD performance of BGCC200 index

UBHARGCC Since Inception



Cumulative Returns (%)

	(%)
YTD	3.7%
3m	-0.1%
6m	-1.1%
One Year	0.7%
Since Inception	29.5%

Country Exposure (%)

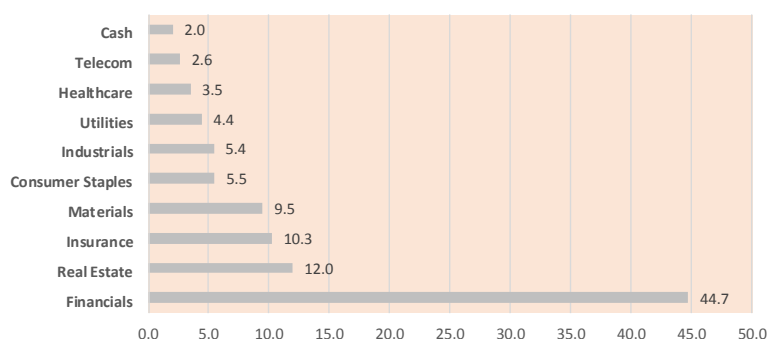
	(%)
UAE	32.5%
Saudi Arabia	32.3%
Oman	18.3%
Qatar	12.6%
Cash	2.0%
Kuwait	2.3%

Important Ratios

Sharpe Ratio	2.17
Annualized Volatility	1.63
Beta	0.48
Var 95% 1 month	4.44
Information Ratio	-2.81

Sector Exposure

%



Monthly Returns

	UBHARGCC FUND	S&PGCC Index*	BGCC200 Index**	Diff%
Jan-18	3.67%	5.31%		-1.64%
Dec-17	-0.75%	3.41%		-4.16%
Nov-17	-2.86%	-1.53%		-1.33%
Oct-17	0.32%	-2.73%		3.05%
Sep-17*	-1.27%	-0.60%		-0.67%
Aug-17	-0.05%		-0.06%	0.01%
Jul-17	1.57%		0.17%	1.40%
Jun-17	2.84%		1.67%	1.17%
May-17	-0.64%		-1.20%	0.56%

*On September 1st, 2017 Bloomberg discontinued the BGCC200 Index. Consequently, from September 1st, 2017 we have employed the S&P GCC Composite Index to measure performance of the Fund

** BGCC200 Index was the previous index for the Fund and been discontinued at the end of August 2017

For more details or subscription inquiries,

Ubhar Capital SAOC

P. O. Box 1137, Postal Code 111
Sultanate of Oman
Tel: +968 24 949 026/27
Fax: +968 24 949 099
Email: UbharGCCFund@u-capital.net
www.u-capital.net

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