

## 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 8,168,777                              |
| 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 witnessed marginal gains after a late month recovery of oil prices. Regional markets trended downward during the start of the month, only to recover during the second half of the month. This trend was particularly visible in Saudi Arabia, with a marginal hike of 0.6% for the month. Most notably, was the MSM which rose 2.8% but still lags on a YTD basis with a decline of 10.9%. Dubai, Abu Dhabi, Qatar and Kuwait delivered similar monthly performances of -0.2%, -1.0%, -0.7% and -0.1% respectively. The regional S&P GCC Index ended the month with a small gain of only 0.19%.

Globally, most markets witnessed weak trends, as the ongoing US-China trade war intensified after both the trading partners imposed additional tariffs. Oil prices have provided strong support to oil exporting gulf economies with crude prices reaching 4 year high, led by US sanctions on Iran sending Brent oil prices up to USD 82.7/b.

Stock picking remains key as certain sectors, including Petrochemicals and Healthcare, will continue to remain resilient providing value going forward. We also believe the Kingdom's announced budget will pave the way for more mega projects in year 2019.

We remain cautious over the short term as markets are poised to absorb the emerging markets turmoil. Nevertheless, GCC economies are set to rebound as improving Oil prices generate higher budgetary revenues, that will spur a resurgence in Government spending, which in turn bodes well for corporate profitability in the foreseeable future. Our cautious stance so far has served to diminished the underperformance against the benchmark and the fund is consequently poised to generate improved returns for investors.

### Calendar Year Return

|      | UBHARGCC FUND | BGCC200 Index* | S&P GCC Index** |
|------|---------------|----------------|-----------------|
| 2018 | 7.65%         |                | 9.76%           |
| 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%          |

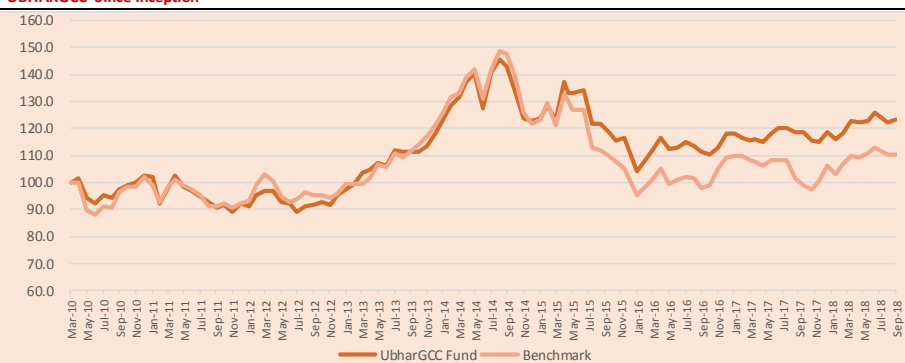
\* BGCC200 Index was the previous benchmark for the Fund

\*\*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             | 7.7%  |
| 3m              | 0.5%  |
| 6m              | 4.7%  |
| One Year        | 2.8%  |
| Since Inception | 34.5% |

### Country Exposure

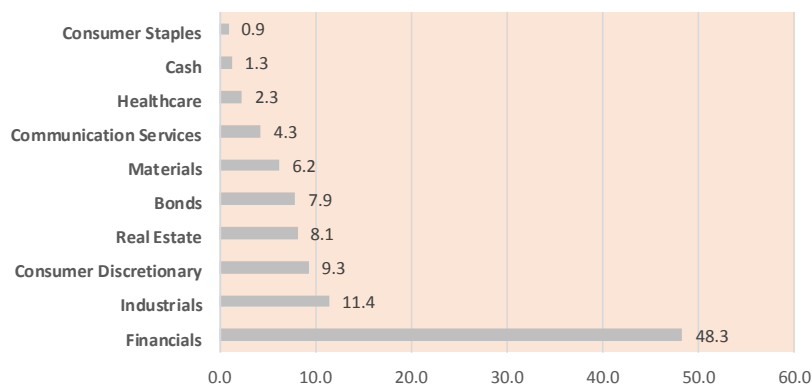
|              | (%)   |
|--------------|-------|
| Saudi Arabia | 38.1% |
| UAE          | 26.2% |
| Oman         | 22.5% |
| Kuwait       | 9.3%  |
| Qatar        | 2.6%  |
| Cash         | 1.3%  |

### Important Ratios

|                       |       |
|-----------------------|-------|
| Sharpe Ratio          | 1.51  |
| Annualized Volatility | 7.65  |
| Beta                  | 0.68  |
| Var 95% 1 month       | -0.71 |
| Information Ratio     | 0.17  |

## Sector Exposure

%



## Monthly Returns

|        | UBHARGCC FUND | S&PGCC Index | Diff%  |
|--------|---------------|--------------|--------|
| Sep-18 | 0.82%         | 0.19%        | 0.63%  |
| Aug-18 | -2.98%        | -2.53%       | -0.45% |
| Jul-18 | 2.77%         | 2.24%        | 0.53%  |
| Jun-18 | 0.55%         | 1.13%        | -0.58% |
| May-18 | -0.78%        | -0.45%       | -0.33% |
| Apr-18 | 4.36%         | 2.90%        | 1.46%  |
| Mar-18 | 1.57%         | 3.41%        | -1.84% |
| Feb-18 | -2.34%        | -2.54%       | 0.20%  |
| Jan-18 | 3.67%         | 5.31%        | -1.64% |

For more details or subscription inquiries,

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