

NAV

KWD 0.87399

Facts

Fund Structure:	Open-ended
Liquidity:	Weekly
Currency:	Kuwaiti Dinar
Inception Date:	20 June 2007
Minimum Investment:	KWD1,000 with additional investments in multiples of KWD1,000
Subscription/Redemption deadline:	Wednesday of every week.
	2%
Subscription Fee:	1.50% per annum
Management Fee:	10% for every 1% excess return over the benchmark
Performance Fee:	0.0625% per annum each
Investment Controller Fee/ Custodian Fee:	Watani Investment Company K.S.C.C. (regulated by Capital Markets Authority)
Fund Manager:	Safi Al-Mutawa & Partners - KPMG
Auditor:	Kuwait Clearing Company S.A.K
Investment Controller:	Kuwait Clearing Company S.A.K.
Custodian:	National Bank of Kuwait S.A.K.P.
Distributor:	Capital Markets Authority
Fund Regulator:	Nabil Maroof Husayn Shahru Shadi Khadder Wajih Alboustany Islam Batrawy Rajat Bagchi

Fund Manager Contacts

38th Floor, Arraya II Building
Al-Shuhada Street, Block 6 - Sharq
P.O. Box 4950 Safat, 13050 Kuwait
Tel: +965 2224 6901
menaequities@nbkcapital.com

Objective

The Fund will seek long-term capital appreciation by investing primarily in Kuwait domiciled listed equities. From time to time, and not ordinarily exceeding 20% of the NAV of the Fund, the investment manager may choose to invest in non-Kuwaiti stocks that he deems to have significant exposure to the Kuwaiti economy. To help measure the success of the Fund, its performance will be measured against an S&P Kuwait Custom Index.

Investment Features and Risk

- There is risk inherent in all investments, and the Fund's investments are subject to normal market fluctuations.
- There are no guarantees that the investment value will appreciate. Diversification of investments is used to minimize risk.
- Unitholders should be aware of the risks associated with investing in the Kuwaiti stock market, these include liquidity risk, inflation risks, interest rates, in addition to risks associated with the underlying economy, all of which can affect the Fund's performance and investment value.

Fund Performance

	Fund	Benchmark
1 Month return	5.70%	5.33%
3 Months return	10.76%	10.89%
YTD return	24.90%	24.16%
12 Months return	22.07%	23.27%
3 Years (annualized) return	14.91%	17.96%
Return since inception	-12.60%	-1.59%
Annualized return since inception	-1.11%	-0.13%
First financial year return	-38.22%	-47.47%
Annualized 3 years (return since inception)	-17.46%	-16.74%
Annualized 6 years (return since inception)	-6.30%	-6.72%
Annualized 9 years (return since inception)	-5.95%	-5.60%
End of Q2'19 (return since inception)	-17.31%	-6.57%
Annualized standard deviation ^{1,2}	16.48%	19.32%
Sharpe ratio ³	(0.07)	0.02

^{1:} Annualized Standard Deviation is calculated since inception.

^{2:} Risk Free Rate used is the 1-month KIBOR

^{3:} The negative Sharpe Ratio is non significant

Top 5 Holdings

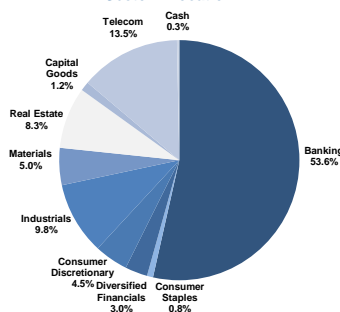
Company	Sector	Holdings
Kuwait Finance House	Banking	14.28%
National Bank of Kuwait	Banking	14.16%
Mobile Telecommunications Co.	Telecom	11.89%
Agility Public Warehousing Co.	Industrials	9.79%
Mabane Company Sak	Real Estate	7.93%

Monthly Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	2.34%	-0.01%	8.94%	1.17%	3.21%	1.54%	5.70%						24.90%
2018	2.82%	0.57%	1.17%	-1.75%	-2.72%	3.93%	6.79%	-0.89%	-0.08%	-1.30%	1.64%	-1.63%	8.47%
2017	12.47%	-3.84%	0.56%	-2.86%	-1.28%	-0.45%	4.86%	4.16%	0.91%	-4.12%	-5.12%	1.51%	5.69%
2016	-7.69%	2.25%	5.85%	2.42%	-2.96%	-1.39%	0.27%	-1.26%	0.84%	1.13%	2.37%	2.81%	4.05%
2015	0.35%	4.10%	-4.47%	3.43%	-3.16%	0.07%	0.56%	-9.99%	0.61%	-0.20%	1.84%	-3.37%	-10.53%
2014	-0.13%	1.66%	4.88%	3.24%	-0.14%	-5.36%	2.11%	2.23%	0.32%	-3.63%	-6.63%	-3.12%	-5.17%

Source: Fund Manager based on the Investment Controller valuation

Sector Allocation



Manager's Comments

The Kuwait Equity Fund was up 5.70% in July, compared to 5.33% for the benchmark during the same period. The Fund's overweight positions in Mabane and AUB Bahrain positively affected the fund's relative performance, while the underweight positions in National Industries and National Real Estate had a negative relative effect during the month. Kuwait also closed the month on a strong positive performance as the market continues to see foreign inflows ahead of next year's highly anticipated MSCI EM upgrade. We continue to maintain an optimistic stance on the medium-term outlook of the Kuwaiti market, provided that ongoing momentum seen in project awards and government spending is sustained, which should eventually reflect positively on the earnings growth of companies listed on Boursa Kuwait.