

# Mashreq MENA Fixed Income Fund

NAV in USD as at June 30, 2021

## Fund Description

The Fund's strategy is to generate a total return by identifying attractive fixed and floating rate income securities from the MENA region. For diversification, the Fund will selectively consider investments outside of the MENA region. The Fund is actively managed to align its strategy to changing macro and monetary trends.

|             |               |               |               |
|-------------|---------------|---------------|---------------|
| AA Shares   | BI USD Shares | BI AED Shares | CA USD Shares |
| <b>9.79</b> | <b>9.85</b>   | <b>9.85</b>   | <b>10.12</b>  |

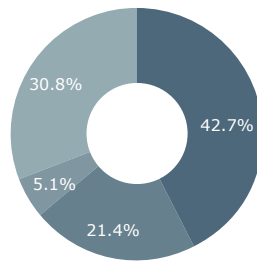
## Income Distribution

| Year | Quarter | Payout <sup>1</sup> |
|------|---------|---------------------|
| 2021 | Q1      | 1.25%               |
|      | Q2      | 1.25%               |
|      | Q3      | 1.25%               |
|      | Q4      | 1.25%               |

<sup>1</sup> Future payouts are targets.

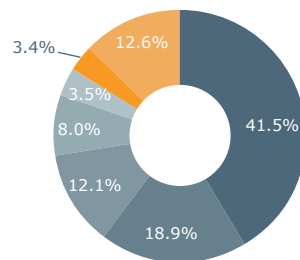
## Maturity Profile

- 0-5 Years (42.7%)
- 5-10 Years (21.4%)
- 10-20 Years (5.1%)
- 20+ Years (30.8%)



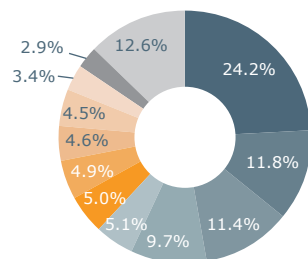
## Industry Allocation

- Sovereign (41.5%)
- Oil & Gas (18.9%)
- Real Estate (12.1%)
- Financial Services (8.0%)
- Commercial Services (3.5%)
- Basic Materials (3.4%)
- Cash (12.6%)

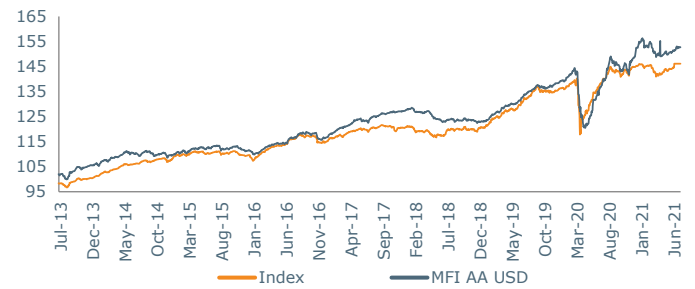


## Regional Allocation

- United Arab Emirates (24.2%)
- Saudi Arabia (11.8%)
- Oman (11.4%)
- Qatar (9.7%)
- Ukraine (5.1%)
- Bahrain (5.0%)
- Mexico (4.9%)
- China (4.6%)
- Egypt (4.5%)
- India (3.4%)
- Turkey (2.9%)
- Cash (12.6%)



## Performance Chart<sup>2</sup>



<sup>2</sup> Performance has been rebased as of 31st December, 2012

## Returns<sup>2</sup>

|               | MTD  | YTD   | 1 Year | 3 Years | 5 Years | SI     |
|---------------|------|-------|--------|---------|---------|--------|
| AA Shares     | 0.9% | -2.0% | 11.0%  | 24.2%   | 32.4%   | 86.1%  |
| BI USD Shares | 0.9% | -1.1% | -      | -       | -       | -0.3%  |
| BI AED Shares | 0.9% | -1.1% | -      | -       | -       | -1.1%  |
| CA USD Shares | 1.2% | 1.2%  | -      | -       | -       | 1.2%   |
| Benchmark     | 1.0% | 0.2%  | 5.6%   | 24.1%   | 27.2%   | 137.5% |
|               | 2015 | 2016  | 2017   | 2018    | 2019    | 2020   |
| Fund          | 1.9% | 4.6%  | 9.3%   | -3.5%   | 13.1%   | 11.9%  |
| Benchmark     | 2.0% | 5.1%  | 4.9%   | -0.2%   | 13.2%   | 6.9%   |

## Statistics<sup>2</sup>

|                        |       |
|------------------------|-------|
| Average Coupon         | 4.6   |
| Fund Rating            | BBB+  |
| Average Maturity       | 17.6  |
| Average Yield          | 4.4   |
| Modified Duration      | 9.2   |
| CAGR Since Incep       | 4.1%  |
| 1 year Volatility      | 8.0%  |
| 3 years Volatility     | 10.9% |
| Sharpe Ratio - 1 year  | 1.2   |
| Sharpe Ratio - 3 years | 2.1   |

## Top Holdings

|                          |      |
|--------------------------|------|
| State Of Qatar           | 9.7% |
| Saudi International Bond | 7.9% |
| Oman Sovereign Sukuk     | 6.5% |
| Abu Dhabi National Oil   | 5.1% |
| Ukraine Government       | 5.1% |

<sup>2</sup> Performance before December 23, 2020 is based on the track record of the Makaseb Income Fund (ISIN = BH000A0J3RR6). Makaseb Income Fund's public track record dates from 2006 - 2021. Mashreq MENA Fixed Income Fund follows the same strategy as the Makaseb Income Fund. Both funds have the same fund manager Mashreq Capital.

## Mashreq MENA Fixed Income Fund

### Monthly Performance (%)<sup>2</sup>

|                   | Jan  | Feb  | Mar   | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Total        |
|-------------------|------|------|-------|------|------|------|------|------|------|------|------|------|--------------|
| <b>MFI AA USD</b> |      |      |       |      |      |      |      |      |      |      |      |      |              |
| <b>2021</b>       | -1.9 | -1.6 | -1.0  | 0.4  | 1.1  | 0.9  | -    | -    | -    | -    | -    | -    | <b>-2.0</b>  |
| <b>2020</b>       | 1.7  | 0.5  | -12.9 | 0.3  | 6.0  | 4.4  | 5.2  | 0.4  | -1.4 | 0.1  | 3.9  | 4.7  | <b>11.9</b>  |
| <b>2019</b>       | 1.8  | 1.3  | 1.1   | 1.3  | 0.4  | 1.9  | 1.7  | 1.6  | -0.3 | 0.4  | 0.7  | 0.7  | <b>13.1</b>  |
| <b>2018</b>       | 0.5  | -1.1 | -0.1  | -0.8 | -1.5 | -0.8 | 1.0  | -0.5 | 0.5  | -0.7 | -0.6 | 0.3  | <b>-3.5</b>  |
| <b>2017</b>       | 1.7  | 1.5  | 0.5   | 1.3  | 1.1  | -0.6 | 1.2  | 0.5  | 0.3  | 0.8  | 0.0  | 0.5  | <b>9.3</b>   |
| <b>2016</b>       | -1.2 | 1.2  | 1.4   | 0.8  | 0.1  | 1.0  | 1.2  | 1.4  | 0.2  | -0.3 | -2.1 | 0.9  | <b>4.7</b>   |
| <b>2015</b>       | 1.0  | 0.7  | -0.2  | 1.0  | 0.4  | -0.2 | 0.7  | -0.8 | -0.2 | 0.8  | -1.1 | -0.2 | <b>1.9</b>   |
| <b>2014</b>       | 0.0  | 2.1  | 0.7   | 0.3  | 1.7  | -0.5 | -0.1 | 0.7  | -0.2 | -0.9 | 0.9  | -1.0 | <b>3.9</b>   |
| <b>2013</b>       | 1.8  | 0.3  | 0.0   | 2.1  | 0.1  | -4.3 | 1.8  | -1.5 | 2.5  | 2.1  | -0.2 | 0.8  | <b>5.5</b>   |
| <b>2012</b>       | 1.8  | 2.1  | 2.0   | 0.2  | -1.0 | 1.8  | 2.9  | 1.1  | 1.4  | 3.1  | 0.6  | 1.7  | <b>19.9</b>  |
| <b>2011</b>       | 0.9  | -1.4 | 1.5   | 2.8  | 1.1  | -0.8 | 1.9  | -0.4 | -4.6 | 2.5  | -2.9 | 1.0  | <b>0.9</b>   |
| <b>2010</b>       | 1.2  | -1.0 | 6.1   | -0.4 | -3.3 | 2.8  | 2.1  | 3.3  | 1.0  | 1.3  | -2.0 | 1.1  | <b>12.1</b>  |
| <b>2009</b>       | -7.1 | -4.3 | 2.6   | 3.5  | 4.5  | 0.8  | 3.0  | 2.1  | 6.2  | 2.0  | 0.0  | -2.9 | <b>10.4</b>  |
| <b>2008</b>       | -1.0 | -0.8 | -0.3  | 0.2  | 0.2  | 0.1  | 0.3  | -0.5 | -3.7 | -6.7 | -9.8 | -1.4 | <b>-21.6</b> |
| <b>2007</b>       | 0.9  | 0.1  | 0.0   | 0.2  | 0.3  | 0.4  | -0.6 | 0.7  | 0.6  | 0.6  | -0.4 | 0.6  | <b>2.1</b>   |
| <b>2006</b>       | -    | -    | -     | -0.4 | -0.1 | -0.6 | 0.0  | -0.1 | 0.2  | 0.7  | 0.8  | 0.1  | <b>0.5</b>   |
| <b>MFI BI USD</b> |      |      |       |      |      |      |      |      |      |      |      |      |              |
| <b>2021</b>       | 0.1  | -1.6 | -1.0  | 0.4  | 1.0  | 0.9  | -    | -    | -    | -    | -    | -    | <b>-1.1</b>  |
| <b>MFI BI AED</b> |      |      |       |      |      |      |      |      |      |      |      |      |              |
| <b>2021</b>       | 0.1  | -1.6 | -1.0  | 0.4  | 1.0  | 0.9  | -    | -    | -    | -    | -    | -    | <b>-1.1</b>  |

### Fund Details

|                                       |   |                              |  |
|---------------------------------------|---|------------------------------|--|
| Fund size                             | USD 31.33 million   | Subscription Fee             | Up to 3% in respect of Class "MFI AA USD", "MFI AA AED", "MFI BA USD", "MFI BA AED", "MFI BI USD" and "MFI BI AED" Shares  |
| Fund Type                             | Open Ended Fund   |                              |  |
| Inception Date                        | December 23, 2020   | Performance Fee              | NIL  |
| Domicile                              | DIFC, Dubai   |                              |  |
| Currency                              | USD   | Management Fee               | 0.85% p.a. in respect of Class "MFI AA USD" and "MFI AA AED" Shares  |
| Benchmark                             | JP Morgan MECI Index  |                              |  |
| Fund Manager                          | Mashreq Capital (DIFC) Limited  | Distribution Fee             | 1.00% p.a. in respect of Class "MFI BA USD", "MFI BA AED", "MFI BI USD" and "MFI BI AED" Shares  |
| Administrator & Transfer Agent        | Apex Fund Services (Dubai) Ltd.   |                              |  |
| Custodian                             | First Abu Dhabi Bank PJSC   | Redemption Fee               | 0.70% p.a. in respect of Class "MFI CA USD" Shares   |
| Auditor                               | Deloitte & Touche, Dubai  |                              |  |
| Valuation Day                         | Each Business Day   | Settlement for Subscriptions | 2 Business Days prior to Dealing Day   |
| Dealing Day (Subscription/Redemption) | Each Business Day   | Settlement for Redemptions   | 5 Business Days after the Dealing Day  |
| ISIN                                  | AEDFXA03C166 in respect of Class "MFI AA AED" Shares<br>AEDFXA03C174 in respect of Class "MFI AA USD" Shares<br>AEDFXA03C182 in respect of Class "MFI BA AED" Shares<br>AEDFXA03C190 in respect of Class "MFI BA USD" Shares<br>AEDFXA03C208 in respect of Class "MFI BI AED" Shares<br>AEDFXA03C216 in respect of Class "MFI BI USD" Shares<br>AEDFXA03C224 in respect of the "MFI CA USD" Shares  | Notice Periods               | 2 Business Days each for Subscriptions & Redemptions   |
| Minimum Subscription                  | The minimum initial subscription and holding amount is:<br>USD 100,000 in respect of the Class "MFI AA USD". Additional subscriptions may be made in increments of USD 1,000.<br>AED 350,000 in respect of the Class "MFI AA AED". Additional subscriptions may be made in increments of AED 5,000.<br>USD 1 in respect of the Class "MFI BA USD", "MFI BI USD" and "MFI CA USD" Share. Additional subscriptions may be made in increments of USD 1.<br>AED 350,000 in respect of the Class "MFI AA AED". Additional subscriptions may be made in increments of AED 5,000.<br>AED 100 in respect of the Class "MFI BA AED" and Class "MFI BI AED" Shares. Additional subscriptions may be made in increments of AED 10. | Bloomberg Ticker             | MAKAINC UH in respect of Class "MFI AA USD" Shares<br>MAMFIBA UH in respect of Class "MFI BI AED" Shares<br>MAMFIBU UH in respect of Class "MFI BI USD" Shares<br>MAMFICA UH in respect of Class "MFI CA USD" Shares |

Please visit <https://www.mashreqcapital.ae/capital/knowledge/monthly-outlook> for Mashreq Capital's Monthly Market Outlook.

Please note with effect from 1st January 2018, all fees & charges mentioned above are subject to additional 5% Value Added Tax

**Contact Us: Tel: +971 4 424 4618**

**Email: MarketingTeam@mashreq.com**

**Web: www.mashreqcapital.ae**

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Office address: Mashreq Capital (DIFC) Ltd, Al Fattan Currency House, Tower 2, Floor 28, Office 2803, Dubai International Financial Centre (DIFC) Dubai, UAE