

Makaseb Income Fund (MIF)

NAV in USD as at Mar 29, 2018



USD
14.66

Fund Description

Makaseb Income Fund (MIF) primarily seeks to provide current income along with the stability of capital. Fund's secondary objective is to seek income growth over the long term. The Fund aims to achieve its investment objective by investing in a diversified portfolio of fixed and floating rate investments originating from countries in the GCC, MENA, South Asia and other emerging economies.

Fund Manager's Commentary

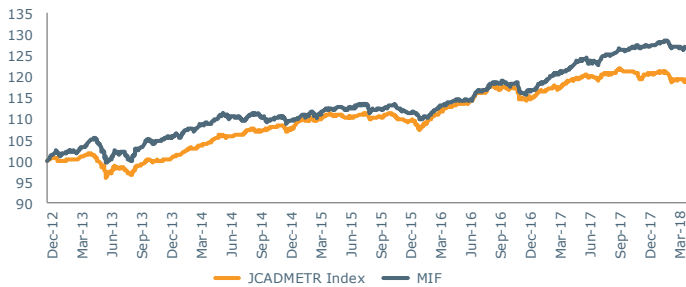
Navigating successfully through market volatility

Despite elevated market volatility, Makaseb Income Fund outperformed the index by 0.61% in YTD terms by end of March. As expected, the Fed raised its target for the federal funds rate by 25bps to 1.50-1.75% on the back of US job gains and stronger economic outlook. This coupled with investor concerns over US-China trade war, the major tech sector woes and the ongoing reshuffle of administrative staff at the White House resulted in treasury yields fluctuating wildly in March.

On March 16th, Moody's downgraded Oman by a notch to Baa3—its lowest investment grade rating and retained the negative outlook as it expects the country's fiscal and external metrics to weaken over the next few years. This subsequently resulted in a rating downgrade of all government related entities of Oman by the agency.

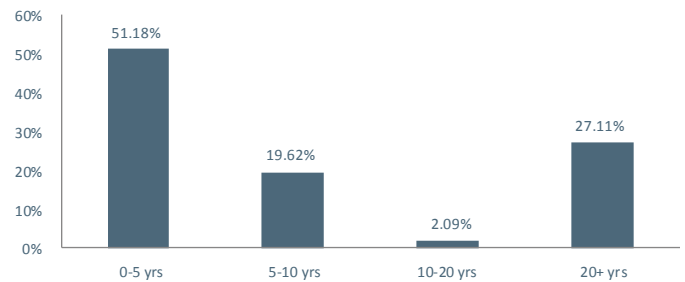
Regional markets are likely to witness a flurry of new issuances in April and early May before the window closes during the month of Ramadan. We continue to favor short duration high yield names but with tactical long duration positions. The fund's Bloomberg Composite rating was BB, average yield was 5.42% and modified duration was 4.42 years with an average effective maturity of 6.37 years.

Performance Chart

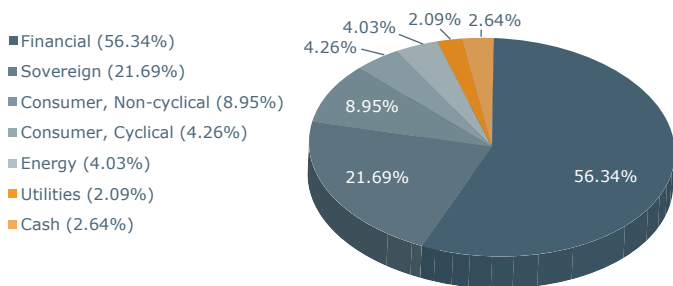


*Performance has been rebased as of 31st December, 2012

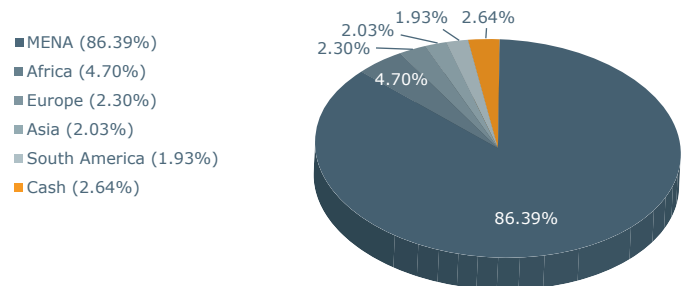
Maturity Profile



Industry Allocation



Regional Allocation



Fund Returns

	MTD	YTD	1 Year	3 Years	5 Years	SI
MIF	-0.11%	-0.70%	4.59%	14.03%	24.19%	54.48%
Benchmark	0.04%	-1.31%	0.76%	8.42%	18.90%	93.77%
	2012	2013	2014	2015	2016	2017
MIF	19.93%	5.50%	3.86%	1.88%	4.65%	9.27%
Benchmark	12.15%	0.39%	7.05%	2.00%	5.09%	4.86%

Top Holdings

MAF Global Securities	9.51%
Arab Republic Of Egypt	9.00%
KT Kira Sert Varlik	6.45%
BNQ Cen Tunisia Int Bond	5.34%
Emirates Reit Sukuk Ltd	5.26%

Fund Statistics

Average Coupon	5.30
Fund Rating	BB
Average Maturity	6.37
Average Yield	5.42
Modified Duration	4.42
CAGR Since Incep	3.64%
1 year Volatility	1.78%
3 years Volatility	3.82%
Sharpe Ratio - 1 year	1.14
Sharpe Ratio - 3 years	3.00

Note: 0.00% of the portfolio is hedged with US Treasury Interest Rate Futures. The fund was benchmarked against HSBC Nasdaq Dubai ME index until 31st December, 2013. On 1st January, 2014 the benchmark was changed to JP Morgan MECI Index (BB TICKER: JCADMETR). All historical benchmark performances have been replaced to that effect.
SI: Since Inception, MTD: Month to Date, YTD: Year to Date

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Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	0.53	-1.11	-0.11										-0.70
2017	1.69	1.50	0.51	1.32	1.10	-0.55	1.18	0.51	0.34	0.81	-0.01	0.51	9.27
2016	-1.16	1.19	1.39	0.75	0.14	1.01	1.17	1.43	0.17	-0.31	-2.07	0.90	4.65
2015	0.95	0.66	-0.17	0.95	0.39	-0.20	0.74	-0.81	-0.18	0.81	-1.07	-0.17	1.88
2014	-0.03	2.05	0.73	0.32	1.73	-0.47	-0.12	0.71	-0.16	-0.87	0.92	-0.97	3.86
2013	1.82	0.27	-0.04	2.12	0.14	-4.25	1.78	-1.53	2.52	2.12	-0.18	0.80	5.50
2012	1.79	2.09	1.99	0.24	-0.99	1.84	2.95	1.15	1.43	3.11	0.56	1.74	19.93
2011	0.87	-1.38	1.49	2.78	1.06	-0.82	1.91	-0.37	-4.60	2.54	-2.91	1.04	0.92
2010	1.21	-1.04	6.12	-0.45	-3.34	2.82	2.12	3.28	1.03	1.25	-1.96	1.14	12.08
2009	-7.06	-4.28	2.64	3.45	4.54	0.77	2.96	2.13	6.24	1.95	0.01	-2.94	10.38
2008	-1.04	-0.76	-0.32	0.15	0.22	0.12	0.27	-0.52	-3.68	-6.68	-9.80	-1.45	-21.59
2007	0.86	0.05	0.03	0.21	0.28	0.38	-0.64	0.69	0.61	0.60	-0.42	0.57	2.11
2006	-	-	-	-0.44	-0.10	-0.60	-0.04	-0.08	0.19	0.75	0.75	0.11	0.53

Fund Details

Fund size	USD 23.53 million	Zawya Code	MAKINCM.MF
Fund Type	Open Ended	Lipper ID	65038282
Inception Date	March 29, 2006	Minimum Subscription	USD 10,000 and in multiples of USD 1,000 thereafter
Domicile	Bahrain	Subscription Fee	Up to 2%
Currency	USD	Performance Fee	Nil
Benchmark	JP Morgan MECI Index	Management Fee	75 bps
Fund Manager	Mashreq Capital (DIFC) Limited	Redemption Fee	3% within first 3 months; 2% within 3-6 months; 1% within 6-12 months
Valuation Day	Each Business Day	Settlement for Subscriptions	2 Business Days prior to Dealing Day
Dealing Day (Subscription/Redemption)	Each Business Day	Settlement for Redemption	5 Business Days after the Dealing Day
ISIN	BH000A0J3RR6	Notice Periods	2 Business Days each for Subscriptions and Redemptions
Bloomberg Ticker	MAKAINC BI		

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