

Makaseb Income Fund (MIF)

NAV in USD as at Apr 30, 2020



USD
14.37

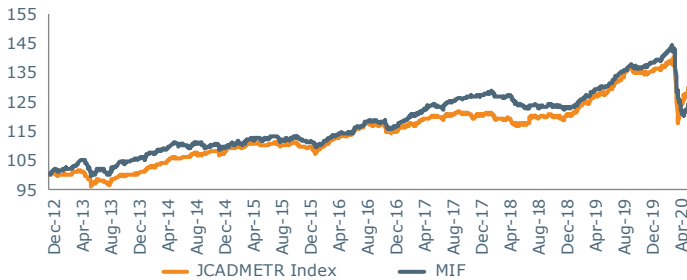
Fund Description

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

The fund posted a monthly return of 2.71%, while the YTD performance at the end of the period was negative 10.77%. The month started with almost all global economies under a state of stringent lockdown and the Covid-19 curve showing little signs of abatement as investors continued to be wary, but sentiments started to improve quickly as the Fed announced a series of stimulus measures which were too dominant for investors. Governments and central banks across the globe also followed through with their "whatever it takes" approach to support growth and investor sentiments, leading to a sharp rally in risk assets that helped bring some calm back to bond markets. Oil markets witnessed historic moments as WTI prices turned negative briefly, this move was despite the agreement by the OPEC+ on production cuts which weighed heavily on GCC sovereigns. Although within the GCC, higher quality sovereigns saw investors absorb large new issues such as Saudi, Qatar and Abu Dhabi which have strong asset buffers to weather the Covid-19 storm. EM IG bonds were indirectly supported by the Fed's bond purchase program which led to the performance of our biggest contributors ie; OCP, a Moroccan chemical company, Acwa Power, a Saudi-based Utility provider and Abu Dhabi Crude Oil Pipeline. Investors differentiated between the quality of the issuers resulting in our biggest detractors being small positions like Emirates REIT and Arabian Centres as real estate is one of the worst affected sectors by the outbreak. We continue to maintain our portfolio through long duration, Investment Grade bonds complemented by selective shorter-dated High Yields.

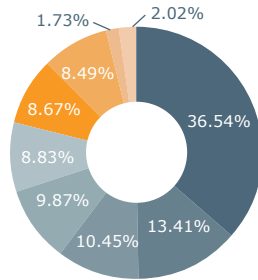
Performance Chart



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

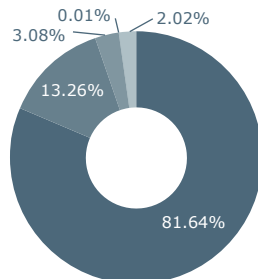
Industry Allocation

- Sovereign (36.54%)
- Real Estate (13.41%)
- Financial Services (10.45%)
- Basic Materials (9.87%)
- Oil & Gas (8.83%)
- Commercial Services (8.67%)
- Utilities (8.49%)
- Insurance (1.73%)
- Cash (2.02%)



Regional Allocation

- MENA (81.64%)
- Asia (13.26%)
- South America (3.08%)
- Europe (0.01%)
- Cash (2.02%)



Top Holdings

Office Cherifien Des Pho	9.87%
State Of Qatar	9.43%
Saudi International Bond	9.35%
Republic Of Indonesia	9.16%
Abu Dhabi Crude Oil	8.83%

Fund Returns

	MTD	YTD	1 Year	3 Years	5 Years	SI	
MIF	0.27%	-10.77%	-4.37%	1.22%	10.77%	51.48%	
Benchmark	4.23%	-4.99%	1.35%	8.68%	17.05%	110.71%	
	2013	2014	2015	2016	2017	2018	2019
MIF	5.50%	3.86%	1.88%	4.65%	9.27%	-3.54%	13.12%
Benchmark	0.39%	7.05%	2.00%	5.09%	4.86%	-0.22%	13.20%

Fund Statistics

Average Coupon	5.35
Fund Rating	BBB
Average Maturity	16.57
Average Yield	6.57
Modified Duration	9.70
CAGR Since Incep	2.95%
1 year Volatility	6.56%
3 years Volatility	7.14%
Sharpe Ratio - 1 year	-0.72
Sharpe Ratio - 3 years	0.12

Maturity Profile

0-5 Years	31.47%
5-10 Years	14.43%
10-20 Years	8.83%
20+ Years	45.27%

Makaseb Income Fund (MIF)

Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2020	1.65	0.49	-12.87	0.27	-	-	-	-	-	-	-	-	-10.77
2019	1.84	1.26	1.05	1.28	0.39	1.87	1.69	1.61	-0.31	0.37	0.66	0.70	13.12
2018	0.53	-1.11	-0.11	-0.75	-1.48	-0.75	1.00	-0.52	0.54	-0.67	-0.57	0.33	-3.54
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 21.66 million	Bloomberg Ticker	MAKAINC BI
Fund Type	Open Ended	Zawya Code	MAKINCM.MF
Inception Date	March 29, 2006	Lipper ID	65038282
Domicile	Bahrain	Minimum Subscription	USD 10,000 and in multiples of USD 1,000 thereafter
Currency	USD	Subscription Fee	Up to 2%
Benchmark	JP Morgan MECI Index	Performance Fee	Nil
Fund Manager	Mashreq Capital (DIFC) Limited	Management Fee	75 bps
Administrator & Transfer Agent	Karvy Computershare W.L.L	Redemption Fee	3% within first 3 months; 2% within 3-6 months; 1% within 6-12 months
Custodian	Citibank N.A., Bahrain	Settlement for Subscriptions	2 Business Days prior to Dealing Day
Auditor	Deloitte & Touche, Bahrain	Settlement for Redemption	5 Business Days after the Dealing Day
Valuation Day	Each Business Day	Notice Periods	2 Business Days each for Subscriptions and Redemptions
Dealing Day (Subscription/Redemption)	Each Business Day		
ISIN	BH000A0J3RR6		

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

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