

Makaseb Income Fund (MIF)

NAV in USD as at Jan 30, 2020



USD
16.37

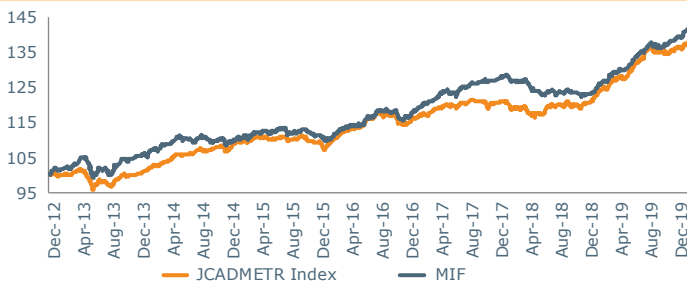
Fund Description

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 started the year 2020 with a robust performance of 1.65% in the month of January. The month started with a tense week due to a spike in geopolitical tensions following the US airstrike in Iraq rattling financial markets, effectively overshadowing the positive impact of the PBOC reserve ratio cut which was expected to boost Chinese growth. The second week saw optimism due to the signing of the Phase I of the US-China trade deal and positive economic data. We witnessed a massive exogenous shock hitting markets in the second half of the month due to the anxiety created by the nCoV epidemic leading to substantial risk-off moves driving investors to seek safe havens as the impact of this pandemic remained uncertain. Our Investment Grade long duration sovereign exposures like Saudi Arabia and Abu Dhabi Government contributed significantly to the performance supported by the risk-off mode observed across asset classes. Our tactical exposure to High Yield names like Serba Dinamik, an Oil and Gas company in Indonesia and Kernel Holdings, an agri-business based in Ukraine contributed to the performance positively, as investors across the globe were seeking strong credits amidst an unclear growth environment. We continue to maintain our portfolio through long duration, Investment Grade bonds complemented by selective shorter-dated High Yield.

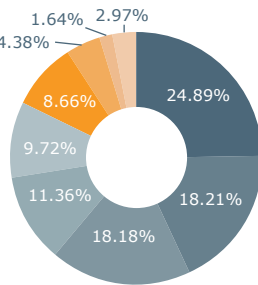
Performance Chart



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

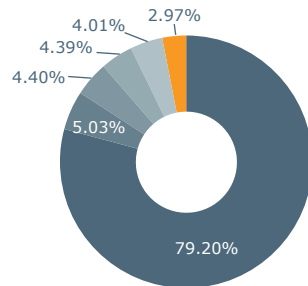
Industry Allocation

- Sovereign (24.89%)
- Financial Services (18.21%)
- Real Estate (18.18%)
- Commercial Services (11.36%)
- Oil & Gas (9.72%)
- Utilities (8.66%)
- Basic Materials (4.38%)
- Insurance (1.64%)
- Cash (2.97%)



Regional Allocation

- MENA (79.20%)
- Asia (5.03%)
- South America (4.40%)
- Europe (4.39%)
- CIS (4.01%)
- Cash (2.97%)



Top Holdings

MAF GLOBAL SECURITIES	9.31%
ACWA POWER MGMT INVST	8.66%
SAUDI INTERNATIONAL BOND	8.41%
ARAB REPUBLIC OF EGYPT	7.42%
DP WORLD PLC	6.33%

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 MSCI 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

Fund Returns

	MTD	YTD	1 Year	3 Years	5 Years	SI
MIF	1.65%	1.65%	12.90%	19.19%	27.99%	72.55%
Benchmark	1.03%	1.03%	11.43%	18.43%	25.83%	124.06%
	2013	2014	2015	2016	2017	2018
MIF	5.50%	3.86%	1.88%	4.65%	9.27%	-3.54%
Benchmark	0.39%	7.05%	2.00%	5.09%	4.86%	-0.22%

Fund Statistics

Average Coupon	5.99
Fund Rating	BBB-
Average Maturity	12.03
Average Yield	5.26
Modified Duration	7.84
CAGR Since Incep	3.96%
1 year Volatility	2.13%
3 years Volatility	3.49%
Sharpe Ratio - 1 year	5.44
Sharpe Ratio - 3 years	5.13

Maturity Profile

0-5 Years	41.17%
5-10 Years	23.76%
10-20 Years	8.66%
20+ Years	26.41%

Makaseb Income Fund (MIF)

Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2020	1.65	-	-	-	-	-	-	-	-	-	-	-	-
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 24.93 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		

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