

Makaseb Income Fund (MIF)

NAV in USD as at Sep 30, 2020



USD
16.57

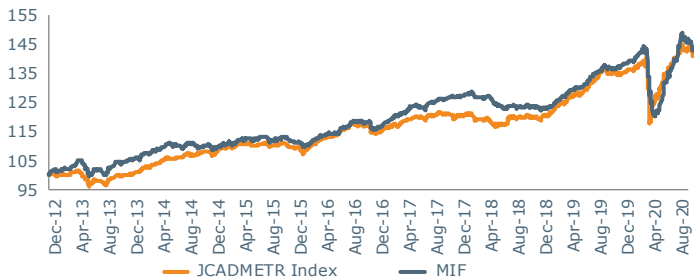
Fund Description

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 had a stall in its positive momentum and ended the month with a drawdown of 1.38%, while the YTD performance at the end of the period was positive 2.85%. Summer heat permeated into markets by creating an environment of increased cautiousness and renewed pressure on risky assets. Uncertainty on US fiscal stimulus, the upcoming US election, Brexit fears, inflation risks and a growing wave of Covid-19 infections remained the pervasive feature dominating headlines globally. Treasuries were relatively muted as central bank policies held either steady or failed to impress market participants that higher inflation is just around the corner. GCC bonds remained vulnerable to increased risk aversion and a drop in oil prices, thereby ending the month with IG exposures delivering muted negative returns while HY names saw mid-single digit drawdowns. We saw positive contribution from credits like Acwa Power, Mubadala Investment Company and Abu Dhabi Crude Oil Pipeline, which supported performance significantly. During the month, we tactically reduced our duration exposure through Petroleo Brasileiro and Indonesia Asahan Aluminium. We continue to maintain our portfolio through a tilt towards long duration, investment grade bonds complemented by selective shorter-dated high yields.

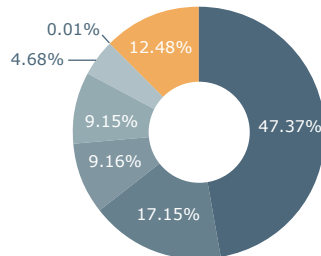
Performance Chart



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

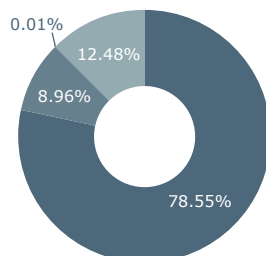
Industry Allocation

- Sovereign (47.37%)
- Oil & Gas (17.15%)
- Basic Materials (9.16%)
- Utilities (9.15%)
- Investment Companies (4.68%)
- Financial Services (0.01%)
- Cash (12.48%)



Regional Allocation

- MENA (78.55%)
- Asia (8.96%)
- Europe (0.01%)
- Cash (12.48%)



Top Holdings

State Of Qatar	9.19%
Office Cherifien Des Pho	9.16%
Acwa Power Mgmt Invst	9.15%
Republic Of Indonesia	8.96%
Abu Dhabi Crude Oil	8.83%

Fund Returns

	MTD	YTD	1 Year	3 Years	5 Years	SI	
MIF	-1.38%	2.85%	4.63%	13.71%	27.76%	74.60%	
Benchmark	-0.66%	3.75%	4.88%	16.93%	28.45%	130.11%	
	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	4.67
Fund Rating	BBB+
Average Maturity	23.92
Average Yield	3.56
Modified Duration	12.62
CAGR Since Incep	3.86%
1 year Volatility	7.80%
3 years Volatility	8.30%
Sharpe Ratio - 1 year	0.51
Sharpe Ratio - 3 years	1.57

Maturity Profile

0-5 Years	12.49%
5-10 Years	9.15%
10-20 Years	17.15%
20+ Years	61.22%

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	6.04	4.38	5.20	0.38	-1.38	-	-	-	2.85
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 24.90 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.

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