

# Makaseb Income Fund (MIF)

NAV in USD as at May 31, 2020



USD  
**15.24**

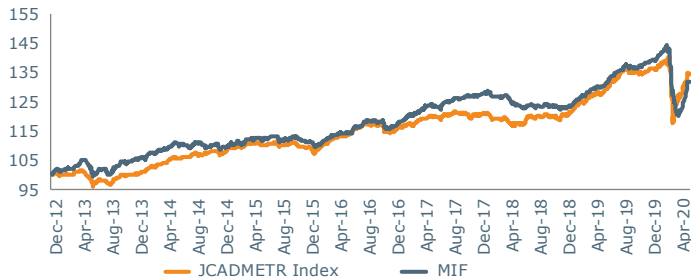
## Fund Description

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 rebounded sharply and delivered a monthly return of 6.04%, while the YTD performance at the end of the period was negative 5.37%. The impact of the Covid-19 outbreak continued to dominate headlines during the month, with an increasing focus on how countries would begin to relax their lockdown measures and how this would affect the economy. While, sentiments became more optimistic after initial signs of success in human trials for a vaccine against Covid-19. Governments and central banks across the globe also remained persistent with their "whatever it takes" approach to support growth. Oil prices rallied sharply due to an expectation of improved demand and controlled supply in the near future, which helped GCC sovereigns join the risk rally and led to the performance of our biggest contributors ie; Kingdom of Saudi Arabia, Qatar and Abu Dhabi. EM IG bonds continued to remain supported by the dovish rhetoric set by DM central banks which helped our exposure in resilient credits like Acwa Power, a Saudi-based Utility provider, Abu Dhabi Crude Oil Pipeline and Mubadala Investment Company. As investors differentiated between sectors affected by the outbreak our biggest detractor came from Arabian Centres. We continue to maintain our portfolio through long duration, Investment Grade bonds complemented by selective shorter-dated High Yields.

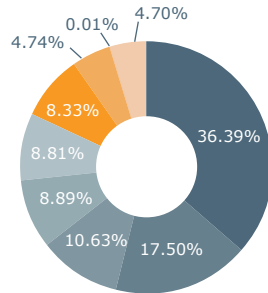
## Performance Chart



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

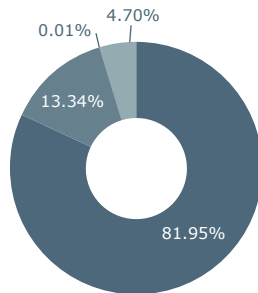
## Industry Allocation

- Sovereign (36.39%)
- Oil & Gas (17.50%)
- Real Estate (10.63%)
- Utilities (8.89%)
- Basic Materials (8.81%)
- Commercial Services (8.33%)
- Investment Companies (4.74%)
- Financial Services (0.01%)
- Cash (4.70%)



## Regional Allocation

- MENA (81.95%)
- Asia (13.34%)
- Europe (0.01%)
- Cash (4.70%)



## Top Holdings

Republic Of Indonesia	9.32%
State Of Qatar	9.29%
Abu Dhabi Crude Oil	8.98%
Acwa Power Mgmt Invst	8.89%
Office Cherifien Des Pho	8.81%

## Fund Returns

	MTD	YTD	1 Year	3 Years	5 Years	SI	
MIF	6.04%	-5.37%	1.01%	6.17%	17.01%	60.64%	
Benchmark	3.61%	-1.56%	4.76%	11.78%	20.96%	118.32%	
	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	5.04
Fund Rating	BBB+
Average Maturity	18.58
Average Yield	5.41
Modified Duration	10.94
CAGR Since Incep	3.35%
1 year Volatility	6.91%
3 years Volatility	7.44%
Sharpe Ratio - 1 year	0.10
Sharpe Ratio - 3 years	0.79

## Maturity Profile

0-5 Years	21.82%
5-10 Years	14.97%
10-20 Years	17.50%
20+ Years	45.71%

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 31<sup>st</sup> December, 2013. On 1<sup>st</sup> 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

## Makaseb Income Fund (MIF)

### Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>2020</b>	1.65	0.49	-12.87	0.27	6.04	-	-	-	-	-	-	-	<b>-5.37</b>
<b>2019</b>	1.84	1.26	1.05	1.28	0.39	1.87	1.69	1.61	-0.31	0.37	0.66	0.70	<b>13.12</b>
<b>2018</b>	0.53	-1.11	-0.11	-0.75	-1.48	-0.75	1.00	-0.52	0.54	-0.67	-0.57	0.33	<b>-3.54</b>
<b>2017</b>	1.69	1.50	0.51	1.32	1.10	-0.55	1.18	0.51	0.34	0.81	-0.01	0.51	<b>9.27</b>
<b>2016</b>	-1.16	1.19	1.39	0.75	0.14	1.01	1.17	1.43	0.17	-0.31	-2.07	0.90	<b>4.65</b>
<b>2015</b>	0.95	0.66	-0.17	0.95	0.39	-0.20	0.74	-0.81	-0.18	0.81	-1.07	-0.17	<b>1.88</b>
<b>2014</b>	-0.03	2.05	0.73	0.32	1.73	-0.47	-0.12	0.71	-0.16	-0.87	0.92	-0.97	<b>3.86</b>
<b>2013</b>	1.82	0.27	-0.04	2.12	0.14	-4.25	1.78	-1.53	2.52	2.12	-0.18	0.80	<b>5.50</b>
<b>2012</b>	1.79	2.09	1.99	0.24	-0.99	1.84	2.95	1.15	1.43	3.11	0.56	1.74	<b>19.93</b>
<b>2011</b>	0.87	-1.38	1.49	2.78	1.06	-0.82	1.91	-0.37	-4.60	2.54	-2.91	1.04	<b>0.92</b>
<b>2010</b>	1.21	-1.04	6.12	-0.45	-3.34	2.82	2.12	3.28	1.03	1.25	-1.96	1.14	<b>12.08</b>
<b>2009</b>	-7.06	-4.28	2.64	3.45	4.54	0.77	2.96	2.13	6.24	1.95	0.01	-2.94	<b>10.38</b>
<b>2008</b>	-1.04	-0.76	-0.32	0.15	0.22	0.12	0.27	-0.52	-3.68	-6.68	-9.80	-1.45	<b>-21.59</b>
<b>2007</b>	0.86	0.05	0.03	0.21	0.28	0.38	-0.64	0.69	0.61	0.60	-0.42	0.57	<b>2.11</b>
<b>2006</b>	-	-	-	-0.44	-0.10	-0.60	-0.04	-0.08	0.19	0.75	0.75	0.11	<b>0.53</b>

### Fund Details

Fund size	USD 22.98 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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