

# Makaseb Income Fund (MIF)

NAV in USD as at Nov 30, 2020



USD  
**17.23**

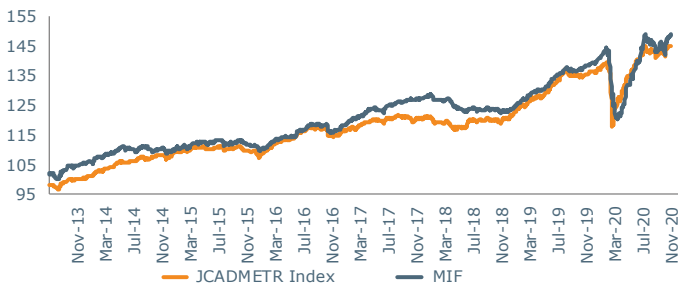
## Fund Description

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 continued its positive momentum and ended the month with a robust return of 3.88%, while the YTD performance at the end of the period was positive 6.96%. November turned out to be one of the best months for financial markets, largely on the back of improved optimism on the growth recovery scenarios, following the remarkable breakthroughs for the Covid-19 vaccine and the sweeping market-friendly victory of the President-Elect Joe Biden. MENA credit markets have been very strong this year, seemingly disconnected from the significant fundamental headwinds and the GCC region was the best performing EM region on a total return basis, having outperformed their EM peers since May. The HY sovereigns in the MENA region, namely the sovereign of Jordan, Egypt, Bahrain and Oman, were the underperformers in the market rally till November and have also started catching up with the positive market momentum/hunt for risk assets and were the top performers of the month. We also saw significant contribution from our tactical positioning in HY exposures like Pemex, Ukraine and Petroleo Brasileiro. Our participation in new issues such as Dubai Islamic Bank Perpetuals, Saudi Aramco and Dubai Aerospace Holdings performed extremely strongly in the secondary markets. In 4Q2020, we tactically rotated the portfolio positioning into HY sovereigns and perpetuals to take advantage of the strong technical momentum in risk assets while maintaining our geographic diversification.

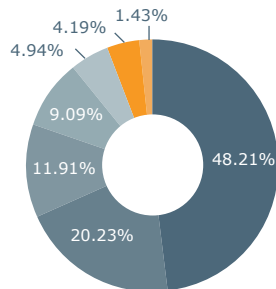
## Performance Chart



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

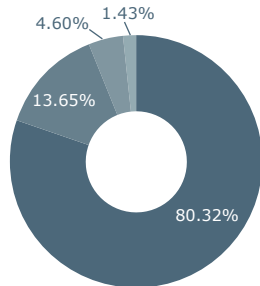
## Industry Allocation

- Sovereign (48.21%)
- Oil & Gas (20.23%)
- Financial Services (11.91%)
- Utilities (9.09%)
- Basic Materials (4.94%)
- Commercial Services (4.19%)
- Cash (1.43%)



## Regional Allocation

- MENA (80.32%)
- South America (13.65%)
- Europe (4.60%)
- Cash (1.43%)



## Top Holdings

Acwa Power Mgmt Invst	9.09%
Oman Gov Interntl Bond	8.92%
Kingdom Of Bahrain	8.84%
Republic Of Turkey	8.66%
Kingdom Of Jordan	8.60%

## Fund Returns

	MTD	YTD	1 Year	3 Years	5 Years	SI
MIF	3.88%	6.96%	7.71%	17.31%	33.23%	81.58%
Benchmark	1.77%	6.11%	7.02%	20.35%	32.09%	135.33%
	2014	2015	2016	2017	2018	2019
MIF	3.86%	1.88%	4.65%	9.27%	-3.54%	13.12%
Benchmark	7.05%	2.00%	5.09%	4.86%	-0.22%	13.20%

## Fund Statistics

Average Coupon	6.61
Fund Rating	BB-
Average Maturity	19.96
Average Yield	5.74
Modified Duration	9.83
CAGR Since Incep	4.09%
1 year Volatility	8.25%
3 years Volatility	8.76%
Sharpe Ratio - 1 year	0.83
Sharpe Ratio - 3 years	1.88

## Maturity Profile

0-5 Years	5.63%
5-10 Years	25.59%
10-20 Years	6.58%
20+ Years	62.20%

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

## 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	4.38	5.20	0.38	-1.38	0.11	3.88	-	<b>6.96</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 25.87 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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