



The First Mazoon Fund

# The First Mazoon Fund JIA

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**June 2018**  
**253<sup>rd</sup> Month**

## Objectives

The primary objective of the fund is to achieve capital appreciation through a diversified portfolio of equity and bond investments in public companies listed at GCC Markets and Mena region.

## Fund Details

Manager	Gulf Baader Capital Markets SAOC
Custodian	Gulf Custody Company
Launch Date	June 10, 1997
Auditors	Horwath Mak Ghazali LLC
Type	Open-ended
Subscription/redemption	Daily
Valuation date	Daily
Entry Fee	Upto 2%
Management fee	1.4% per annum
Performance fee	10%
Hurdle rate	10%
Redemption Fee	1% < 1 year
NAV/Unit	RO 1.112
Net Asset	RO 8.8 Million

## Your Gateway to GCC Markets

	FMF	S&P GCC Comp.
MTD	0.8%	1.1%
1 Year	6.9%	8.7%
3 year	-2.4%	-9.3%
5 year	26.4%	4.8%
Since Inception	332.3%	na

## Percentage Quarterly Return over the Years

	1Q	2Q	3Q	4Q	Year
1997			21.0%	8.3%	22.9%
1998	-20.0%	-21.4%	-21.0%	-23.6%	-54.6%
1999	-4.1%	18.2%	11.5%	-12.8%	7.9%
2000	4.2%	-9.7%	-3.9%	3.3%	-5.3%
2001	2.9%	0.0%	-1.9%	-1.1%	-0.2%
2002	12.3%	14.7%	-4.5%	4.9%	22.8%
2003	3.6%	11.6%	7.7%	3.4%	23.9%
2004	7.2%	24.3%	2.2%	1.5%	32.8%
2005	25.6%	22.7%	-4.1%	3.4%	42.1%
2006	7.9%	-8.1%	11.9%	-0.3%	11.0%
2007	4.1%	9.2%	9.0%	26.5%	57.6%

	1Q	2Q	3Q	4Q	Year
2008	9.9%	11.0%	-21.3%	-31.7%	-33.9%
2009	-5.7%	17.5%	15.1%	-4.2%	22.1%
2010	8.8%	-10.4%	8.4%	7.8%	13.9%
2011	-5.6%	-0.7%	-5.9%	2.8%	-9.3%
2012	12.6%	-11.0%	2.9%	0.8%	3.9%
2013	7.6%	7.4%	5.9%	8.2%	32.5%
2014	13.9%	2.4%	7.5%	-14.8%	6.8%
2015	0.4%	5.7%	-10.0%	-6.4%	-10.7%
2016	0.8%	0.7%	-3.6%	11.4%	9.0%
2017	-2.0%	1.5%	-1.2%	-2.8%	-4.5%
2018	9.1%	2.1%			

## Percentage Monthly Return -2018

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year'18
4.3%	-0.3%	4.9%	3.5%	-2.1%	0.8%							11.4%

## Market Review and Outlook

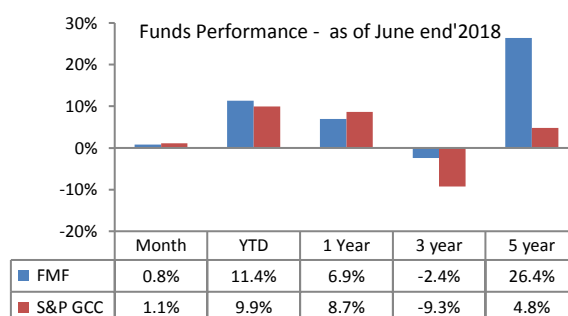
**Review for June 2018:** The expected news of MSCI upgradation of Saudi Arabia to emerging market status alongwith placing Kuwait as a potential candidate for emerging market upgrade in the ensuing year, helped the GCC markets to recoup some of the losses made in the previous month. The S&P GCC Composite Index gaining by 1.1% during the month under review. Markets were also supported by the rally in oil prices on news of OPEC & non-OPEC cartel being able to find a compromise by bringing the compliance back to 100%, which was not sufficient enough for supply to outstrip demand in the coming months, especially in context of possible sanctions on Iran supply & other disruptions amongst producing nations on economic or geo-political issues.

**Outlook for July 2018:** Markets continue to see weak volumes over the past couple of months as they search for further positive triggers. For the markets to make further high, oil prices needs to go beyond the \$80/bbl mark, which could be possible as Iran sanctions are due to start from November, coinciding with the onset of the winter for the major consuming nations. Till that time, the ensuing second quarter results could dictate stock specific trends within the GCC stock market. We are continuing with an active asset allocation strategy & selectively rotating the fund.

## Dividend

Financial Year ended	Cash	Stock
2016	5%	-
2013	10%	10%
2010	5%	5%
2009	5%	15%
2007	10%	15%
2006	5%	5%
2005	10%	25%
2004	14%	14%

Funds Performance - as of June end'2018



## Fund Review for the 253<sup>rd</sup> Month

The NAV was RO 1.112 as at the end of Jun'18 and increased by about 0.8% for the month as against S&P GCC Index which increased by 1.1%. The average NAV per unit during the month was RO 1.116.

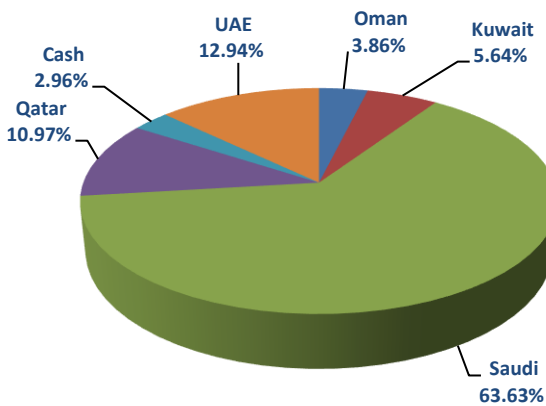
### TOP 5 Holdings

	%
Al Rajhi Bank	10.0
SABIC	7.2
Emaar Properties	4.5
Samba Financial	3.9
Jarir Marketing	3.8

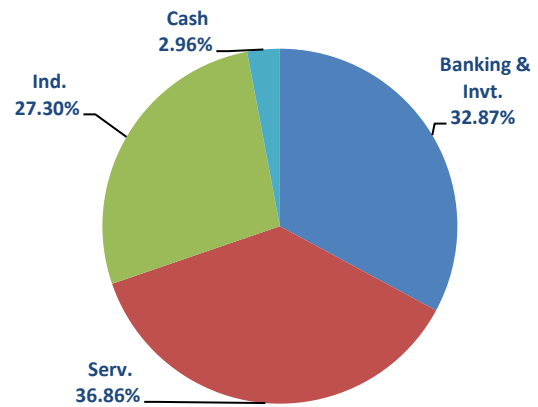
### Comparison over the Past Five Years

Particulars	FMF	S&P GCC Comp.
Average Monthly Return	0.5%	0.2%
Monthly Maximum loss	-9.0%	-13.2%
Month of Maximum loss	Aug-15	Aug-15
Annualized Return	4.8%	0.9%
Annualized Volatility	12.7%	15.8%
% of winning months (against benchmark)	50.0%	na
% of gained months	51.7%	51.7%
Beta	0.75	-
Sharpe (RF 5.25%)	(0.04)	(0.27)
Information ratio	0.30	na
Alpha	2.8%	na
YTD	11.4%	9.9%

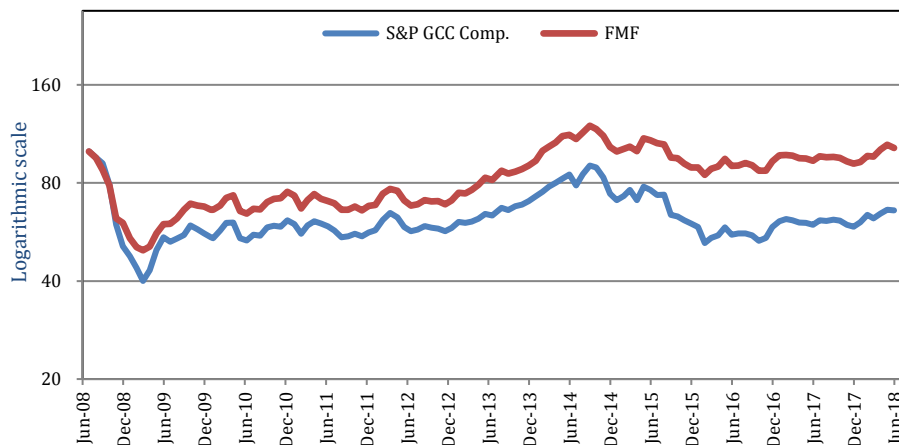
### Geographical Allocation



### Sectoral Allocation



### FMF Vs S&P GCC Comparison



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#### Investment Manager



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