



The First Mazoon Fund

The First Mazoon Fund JIA

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Dec 2016
235th 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	Moorestephens
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 1.097
Net Asset	R.O 8.0 Million

Your Gateway to GCC Markets

	FMF	S&P GCC Comp.
MTD	4.3%	4.1%
1 Year	8.9%	4.2%
3 year	3.9%	-16.2%
5 year	42.7%	8.1%
Since Inception	306.4%	na

Percentage Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
1997									21.0%	3.1%	1.2%	3.8%	22.90%
1998	3.1%	-5.3%	-18.1%	-4.2%	-8.6%	-10.2%	-8.6%	-17.2%	4.4%	-4.2%	-4.9%	-16.1%	-54.60%
1999	16.7%	-10.2%	-8.5%	13.6%	-4.4%	8.8%	16.2%	-1.6%	-2.5%	-4.7%	-3.6%	-5.1%	7.90%
2000	2.3%	-2.6%	4.6%	-1.6%	-2.8%	-5.6%	-1.6%	-3.2%	0.9%	-3.9%	10.1%	-2.4%	-5.30%
2001	-2.9%	2.1%	3.8%	0.0%	-0.7%	0.7%	1.5%	-0.2%	-3.2%	-1.3%	-1.6%	1.8%	-0.20%
2002	5.6%	-0.2%	6.6%	6.0%	5.8%	2.3%	-0.5%	-2.3%	-1.8%	0.5%	2.2%	2.1%	22.80%
2003	-0.7%	-0.3%	4.6%	7.0%	0.6%	3.7%	7.0%	0.8%	-0.1%	-0.1%	1.9%	1.6%	23.90%
2004	5.2%	1.9%	0.0%	7.3%	8.6%	6.7%	0.1%	-1.1%	3.2%	0.7%	-1.4%	2.2%	32.80%
2005	6.7%	1.7%	15.7%	9.6%	2.9%	8.8%	-0.7%	-1.1%	-2.4%	-2.42	-2.78	1.87%	42.10%
2006	10.3%	-5.7%	3.76%	-2.12%	-6.34%	0.27%	-2.27%	7.64%	6.40%	4.05%	-6.02%	2.0%	11.00%
2007	2.93%	-0.32%	1.44%	3.34%	3.23%	2.33%	2.27%	2.61%	3.89%	8.91%	6.48%	9.12%	57.60%
2008	-0.28%	9.41%	0.73%	8.8%	2.18%	-0.11%	-4.6%	-8.12%	-10.25%	-20.91%	-3.18%	-10.8%	-33.90%
2009	-6.16%	-2.22%	2.73%	9.63%	6.77%	0.38%	3.77%	6.27%	4.36%	-1.15%	-0.83%	-2.26%	22.09%
2010	0.15%	3.00%	5.43%	1.79%	-10.37%	-1.76%	3.44%	-0.44%	5.25%	2.30%	0.43%	4.91%	13.91%
2011	-2.58%	-8.61%	6.06%	4.34%	-3.30%	-1.60%	-1.66%	-4.32%	-0.03%	2.19%	-2.53%	3.22%	-9.33%
2012	0.54%	8.37%	3.33%	-1.42%	-6.43%	-3.54%	0.76%	3.13%	-0.99%	0.36%	-2.37%	2.84%	3.86%
2013	5.47%	-0.39%	2.42%	3.87%	4.99%	-1.48%	6.63%	-2.03%	1.36%	2.00%	2.42%	3.59%	32.51%
2014	7.40%	3.05%	2.94%	4.48%	1.09%	-3.07%	4.69%	5.01%	-2.24%	-4.74%	-7.67%	-3.12%	6.81%
2015	1.88%	1.55%	-3.00%	9.38%	-1.35%	-2.08%	-0.70%	-8.98%	-0.46%	-3.63%	-2.71%	-0.13%	-10.70%
2016	-4.91%	4.3%	1.6%	5.7%	-4.96%	0.29%	1.85%	-1.57%	-3.86%	0.16%	6.65%	4.32%	8.95%

Market Review and Outlook

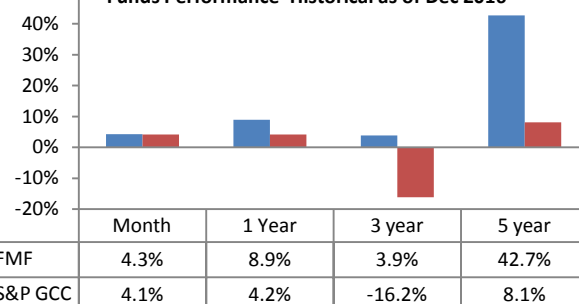
Review for Dec 2016: Buoyed by the improved sentiments on oil prices following the oil production cut deal amongst OPEC & non-OPEC members, markets across GCC rallied during the last month of the year 2016. The S&P GCC Composite Index closed the year with a gain of 4.2%, with the largest gainer amongst GCC Indices being Dubai financial market at 12.1%. Even though, the trading volumes improved during Dec'2016, the value of shares traded in GCC remained at a 5-year low of \$388bn, with Saudi accounting for almost 80% of the value.

Outlook for Jan 2017: Given the strong linkage to oil prices, the markets could continue to improve in 2017, given the oil prices are likely to average higher than in 2016. However, given the huge run-up in Saudi and with its valuations now in line with its peers, we could see some profit taking. Other markets could continue to see momentum on back of improved sentiments amongst investors as projects could continue and payments issues could be resolved. However, fiscal consolidation could continue in markets whose fiscal deficit has remained at an abnormally high levels of their GDP and this could likely bring muted earnings for these markets in 2017. We would continue to be remain stock and sector specific and carry on improving our risk adjusted return for the fund.

Dividend

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

Funds Performance- Historical as of Dec 2016



Fund Review for the 235th Month

The NAV was RO 1.097 as at the end of Dec'16 and increased by about 4.32% for the month as against S&P GCC Index which increased by 4.14%. The average NAV per unit during the month was RO 1.083.

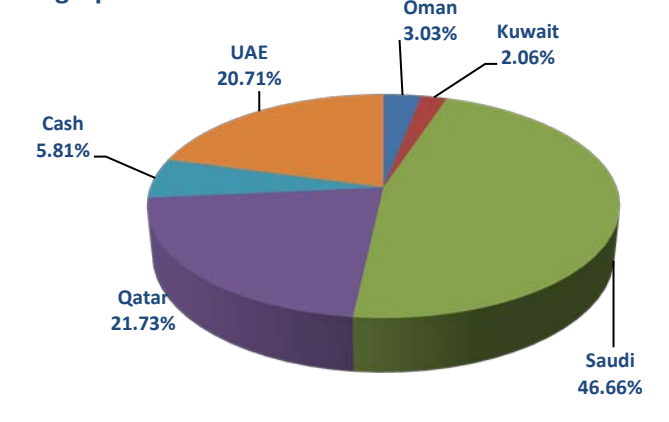
TOP 5 Holdings

TOP 5 Holdings	%
SABIC	5.39
Qatar National Bank	4.07
Emaar Properties	3.69
Qatar Electricity	3.08
Emaar Malls	3.06

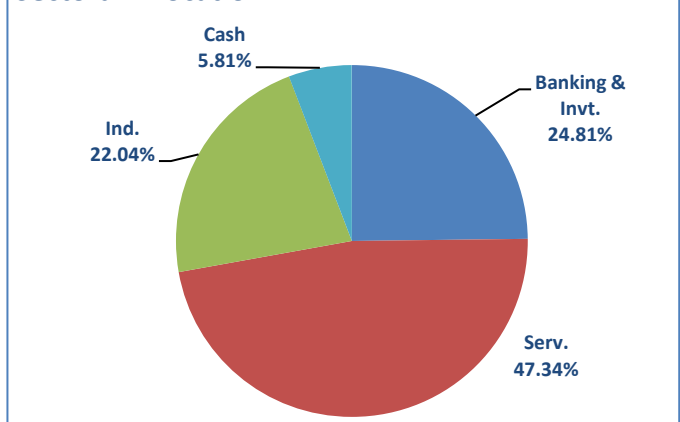
Comparison over the Past Five Years

Particulars	FMF	S&P GCC Comp.
Average Monthly Return	0.67%	0.24%
Monthly Maximum loss	-9.0%	-13.2%
Month of Maximum loss	Aug-15	Aug-15
Annualized Return	7.37%	1.6%
Annualized Volatility	13.7%	16.4%
% of winning months (against benchmark)	58.3%	na
% of gained months	56.7%	55.0%
Beta	0.75	na
Sharpe (RF 4.5%)	0.21	(0.18)
Information ratio	0.52	na
Alpha	6.0%	na
YTD	8.95%	4.2%

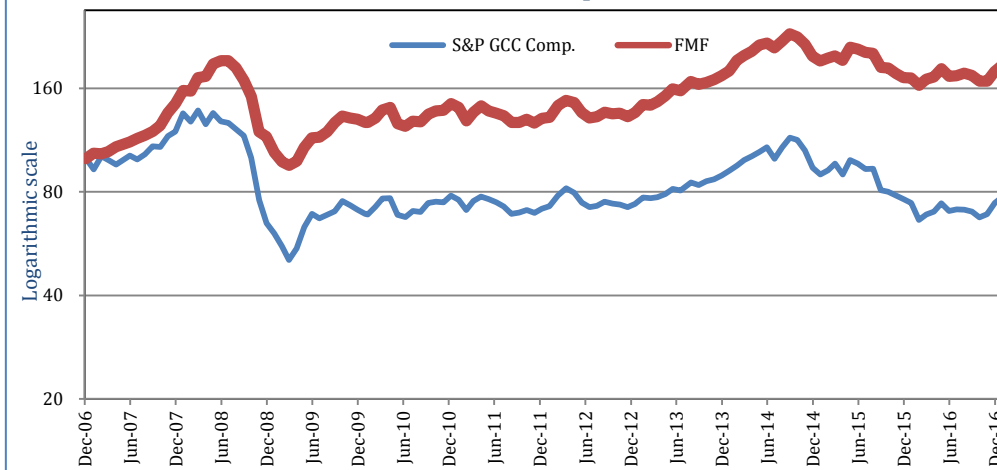
Geographical Allocation



Sectoral Allocation



FMF Vs S&P GCC Comparison



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Investment Manager



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