

Monthly Factsheet

Markaz Mumtaz Fund

NAV KD 5.898 - As of June 30, 2021

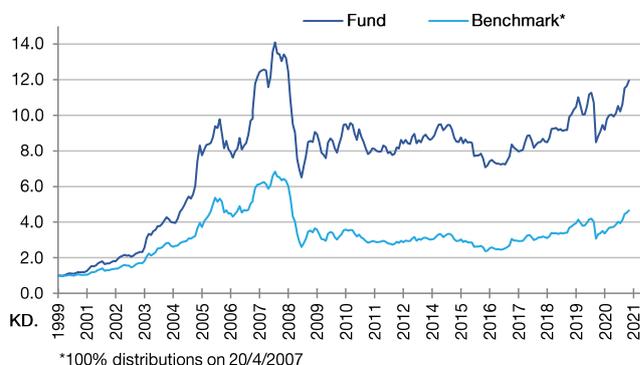


Fund Objective: Achieve long-term capital appreciation by investing in blue-chip companies listed on Bursa Kuwait.

Fund Performance vs. benchmark*	Fund	Benchmark
Total Return (Dec 99 - Dec 00)	19.6%	3.9%
Total Return (Dec 99 - Dec 02)	127.8%	67.7%
Total Return (Dec 02 - Dec 05)	307.1%	206.3%
Total Return (Dec 05 - Dec 08)	-19.7%	-34.9%
Total Return (Dec 08 - Dec 11)	5.8%	-14.0%
Total Return (Dec 11 - Dec 14)	6.6%	1.9%
Total Return (Dec 14 - Dec 17)	-1.9%	3.8%
Total Return (Dec 17 - Dec 20)	20.9%	26.8%
Total Return (Dec 99 - Jun 21)	1079.6%	366.1%
CAGR Since Inception	12.1%	7.4%
Volatility (SD) [36 months]	17.2%	18.6%
Beta (β) [36 months]	0.90	1.00
Batting Averages [36 months]	30.56%	-
Number of Holdings	18	27

*Total Return: Net of Fees

Fund price performance vs. benchmark Rebased @1 KD since inception*



*100% distributions on 20/4/2007

*Benchmark changes:

- KIC Index since inception to 2012
- S&P Kuwait TR LCY from 2013
- S&P Kuwait Capped 10% TR LCY from 2014
- S&P Kuwait Domestic Liquid Capped Select Index TR KWD from June 2016

Annual Total Return %

	2000	'01	'02	'03	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20
Fund	17.9	45.8	30.6	79.9	29.9	74.2	-10.5	44.4	-37.8	3.1	22.8	-16.4	5.3	2.4	-1.2	-11.1	1.7	8.5	9.0	22.6	-9.5
Benchmark	3.2	29.2	25.0	62.5	12.6	67.3	-9.0	29.7	-44.8	-9.2	17.4	-19.3	-0.2	5.4	-3.1	-11.8	4.3	12.9	10.4	23.8	-7.2

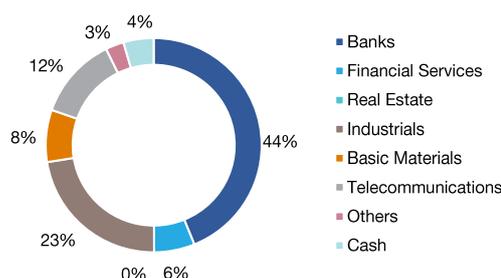
Key Facts

Net Assets	KD. 85.435 Million
NAV per unit	KD. 5.89781374
Type	Open-ended
Fund Manager	Kuwait Financial Centre K.P.S.C.
Fund Inception	December 1999
Management Fees	1.50% p.a.
Subscription Fees	0.25%
Redemption Fees	0.25%
Minimum Subscription	100 units
Subscription/Redemption	Weekly
Fund Valuation	Weekly
Custodian	Kuwait Clearing Co
Auditors	PricewaterhouseCoopers Al-Shatti & Co.
ISIN	KW0EQ0903298
Bloomberg	MUMTAZF KK
Lipper Code	LP65038179
Zawya Code	KFCMUMT.MF
Morning Star SecID	F00000251V

Top 5 Holdings (63% of NAV)

Agility Public Warehousing
National Bank of Kuwait
Kuwait Finance House
Mobile Telecommunication Co. (ZAIN)
Boubyan Bank

Sector Allocation



Awards



Winner of seven Lipper Fund Awards
2007, 2008, 2010, 2011, 2012



Rating from S&P Capital IQ



"Kuwait Equity Fund of the Year"
Award from MENA FM
2015, 2010

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Market Commentary

During June, Bursa Kuwait All Share index gained 2.8%, bringing the total gains for the year to 17%. Liquidity reached a daily average of KD 64.60 million compared to KD 72.50 during May. The Premier Market index gained 10% during the second quarter of the year, and was close to 7000 points, before the last session of the month, where the profit-taking process caused the market significant losses at the closing of the 30th of June.

Gradually returning to normal life, coinciding with the vaccine rollout and easing precautionary measures, in addition to the significant improvement in oil prices since the beginning of 2021, where factors which contributed to sustaining market attractiveness to investors and enhanced their confidence, especially in light of low bank interest rates.

Although Kuwait posted a large deficit of more than -9% of GDP in 2020, which was the worst performance among GCC economies, as well as the Parliament suspending the government's initiatives of its economic program, including imposing value-added tax, increasing fees, reconsidering government subsidies, and privatizing some government assets, The Future Generations Fund managed by the Kuwait Investment Authority was able to achieve the best performance in the Fund's history, as it grew at a rate of 33%, outperforming its peers, not only for this year, but on the basis of 3, 5, 10, and 20 years. The growth of the Fund revenues exceeded oil revenues during the past five years. The Minister of Finance pointed out that the break-even price in 2021/2022 budget is \$90 a barrel, stressing the importance of accelerating financial reform, and cooperation between the legislative and executive authorities, as well as focusing on solutions that serve the interests of state treasury.

The World Bank updated its global growth prospects, and ex-

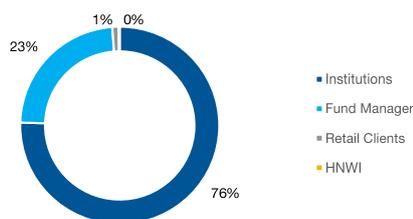
pected that Kuwait's GDP is to grow by 2.4%, compared to previous predictions of 1.9%.

Moody's credit rating agency issued a report affirming the rating of 80% of Kuwaiti companies, based on an optimistic view of the stability of the operating environment and the improvement of economic conditions with the gradual recovery from the repercussions of the pandemic. The USD/KD exchange rate increased by 2.5% throughout the year, which supports the reduction of the cost of the Kuwaiti import bill.

The Central Bank of Kuwait decided to extend the work of the relaxed regulatory limits for some of the regulatory instructions and tools of the macro prudential policy until the end of December 2021, with the exception of those related to the instructions for the controls of financing granted to individual customers for the purpose of buying or developing real estate, which must return to its previous status before the 2nd of April 2020. In its circular, the Central Bank stressed the importance of the vital role of the banking sector in supporting the economy during this crisis, which necessitates the use of additional space (KD 5 billion) in financing the productive and targeted economic sectors by easing regulatory requirements and limiting their use in financing personal facilities.

The results of stress tests conducted by Kuwaiti banks indicated that the banking sector has good resilience in the face of shocks and worst-case scenarios, which exceeds Basel requirements for capital adequacy standard by maintaining an average capital adequacy of 11.4% at the end of 2023. The quality of its assets has also improved, and the percentage of non-performing loans has reached 2% at the end of December.

Fund Shareholders



Fund Executive Committee Members

Ghazi Al Osaimi, Ahmed Al Shalfan, Fahad Al Rushaid, Abdullatif Al Nusif

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For further information on this fund, including but not limited to investment objectives and policies, fees, expenses, risks and other matters of importance to prospective investors, please contact Markaz at +965 2224 8000 or e mail info@markaz.com.

Kuwait Financial Centre K.P.S.C. | [Asset Management](#) | [Investment Banking](#)

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