

Investment Objective

Rasameel's Kuwait Strategy seeks to utilize investor wealth and benefit from the great opportunities in the local market. The actively managed strategy will hold high quality names listed on the premier market and main market.

Investment Manager

Rasameel Investment Company KSCC

Time Horizon

Longterm

Inception Date

01/02/2023

Base Currency

KWD

Top Holdings

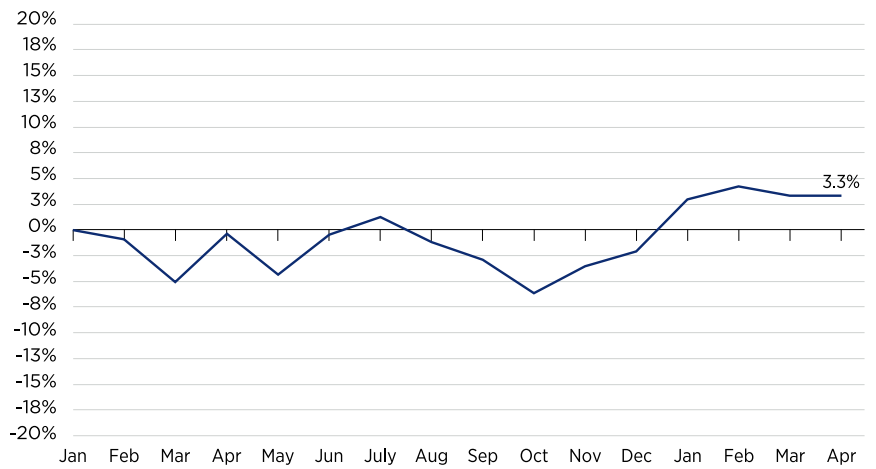
| Company | Weight |
|------------|--------|
| KFH KK | 23.5% |
| BOUBYAN KK | 10.3% |
| ZAIN KK | 8.7% |
| STC KK | 4.3% |
| CABLES KK | 4.2% |

| Characteristics | Strategy |
|-----------------|----------|
| TTM P/E | 16.9 |
| P/B | 1.5 |
| P/CF | 6.3 |
| Dividend Yield | 4.1% |
| Debt/Equity | 1.15 |

| Returns | Strategy (Gross) |
|---------|------------------|
| MTD | -2.2% |
| YTD | 3.3% |
| ITD | 1.1% |

| Risk Statistics - 1Yr | Strategy |
|-----------------------|----------|
| Std. Dev | 7.7% |
| Downside Risk | 5.5% |
| MC VAR | 20.8% |
| Sharpe Ratio | -0.26 |

Cumulative Performance

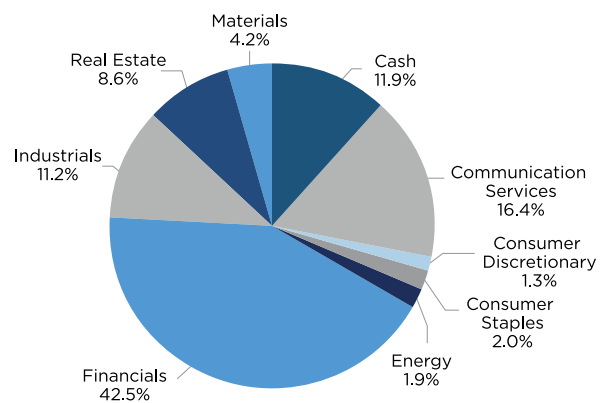


| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|----------|-----|------|------|------|------|-----|-----|------|------|------|-----|-----|------|
| 2024 (%) | 5.2 | 1.2 | -0.8 | -2.2 | | | | | | | | | 3.3 |
| 2023 (%) | | -0.9 | -4.3 | 5.0 | -4.0 | 4.1 | 1.7 | -2.4 | -1.8 | -3.3 | 2.8 | 1.5 | -2.1 |

30 Day Top Contributors & Detractors

| Contributors | Return | Cont. | Detractors | Return | Cont. |
|--------------|--------|-------|------------|--------|--------|
| BPCC KK | 11.5% | 0.35% | AGLTY KK* | -50.4% | -2.43% |
| BOUBYAN KK | 10.3% | 0.22% | CABLE KK | -6.7% | -0.26% |
| MEZZAN KK | 12.3% | 0.15% | KFH KK | -0.6% | -0.15% |
| SHIP KK | 8.4% | 0.13% | OOREDOO KK | -3.3% | -0.09% |
| RASIYAT KK | 14.2% | 0.10% | STC KK | -1.5% | -0.05% |

Sector Breakdown



The performance shown above is gross of all fees and unaudited. Past performance is not indicative of future returns.

Disclaimer:

This document is prepared for promotional purposes. The performance stated above is based on reported NAV. Rasameel Investment Company hereby undertakes that it does not disguise, diminish or obscure important items from the investment subject of promotion.

Warning:

The past performance of any investment or a product is not a reliable indicator of future results and it cannot be relied upon for investment decision making.

Commentary

In April, the Rasameel Kuwait Strategy experienced a modest decline of -2.2%, outperforming the Kuwait All Shares index, which fell by -3.8% during the same period. Despite ongoing geopolitical uncertainties and recent profit-taking activities, our strategy's year-to-date performance remains strong at 3.3%, compared to 2% for the Kuwait All Shares index. This resilience underscores our commitment to prudent asset allocation and risk management. Despite market challenges, our strategy has demonstrated its ability to navigate adverse conditions, reflecting our steadfast approach to delivering sustainable returns for our investors.

Among contributors, **Boubyan Petrochemical Co. K.S.C (BPCC KK)** was up 11.25% for the month ahead of anticipation for its earning season. **Boubyan Bank K.S.C.P. (BOUBYAN KK)** demonstrated a strong financial performance in Q1 2024, with net profit and operating income rising significantly, reflecting substantial profitability and successful business operations. Total comprehensive income also saw a notable improvement, underscoring the bank's enhanced operational efficiency and market expansion effectiveness. Meanwhile, **Mezzan Holding Co (MEZZAN KK)** continued its rally with a 13.3% stock increase following its earnings release in mid-March. The company rebounded from a previous loss to a profit, with a noticeable growth in revenue. Additionally, Mezzan strengthened its liquidity, increasing its cash reserves from KD 5,650,967 to KD 14,707,659, showcasing enhanced operational efficiency and successful market expansion.

Agility Public Warehousing Company K.S.C.P. (AGILITY KK) stock price "declined" by 50.4% this month after transferring 49% of its equity to Abu Dhabi, a strategic move that effectively revalues the stock rather than representing a loss. This adjustment in Kuwait is similar to a stock split, with the new shares now trading in another market. Investors received shares in Abu Dhabi worth nearly half of Agility's value, so this should not be viewed negatively. The success of this strategy depends on the performance of these shares in the Abu Dhabi market. Agility's shift suggests optimism about better business prospects in the UAE, potentially benefiting investors if this outlook proves correct. However, it's important to note that this transfer impacted this month's total return negatively, as the Abu Dhabi shares will only start trading next month which we will hold for investor that received them given the potential growth opportunities. **Gulf Cable and Electrical Industries Company K.P.S.C (CABLE KK)** was also down following mixed earnings report. They faced financial challenges, including rising operational costs and a significant other comprehensive loss due to a marked decrease in the fair value of investments. However, the company reported a robust increase in profitability and slight revenue growth, indicating stable revenue generation. Additionally, there was substantial growth in dividend income.

In April 2024, Kuwait and broader GCC markets faced pressures from escalating geopolitical tensions leading to a decline, although overall positive Q1 earnings in Kuwait provided some buffer. The World Bank revised Kuwait's economic growth projection for 2024 upwards to 2.8% y/y, contrasting with the IMF's forecast of a 1.4% contraction, attributing it to ongoing OPEC+ production cuts. In the U.S, persistent inflation raised concerns about potential delays in interest rate cuts by the Federal Reserve, adding to global market uncertainties. Locally, Kuwait's project spending lagged with only a third of planned capital expenditures executed, and real estate sales dropped by 2.3% y/y in Q1 2024 due to high interest rates, although the market is expected to pick up with a possible shift in the environment.

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