



KUWAIT STRATEGY FACT SHEET

31/10/2024



A New Era of Investing

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

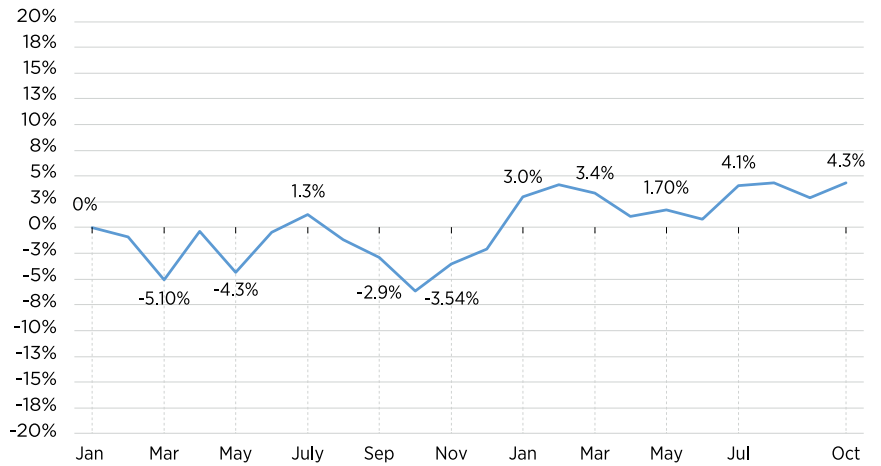
Company	Weight
KFH KK	27.9%
BOUBYAN KK	9.8%
ZAIN KK	7.8%
BPCC KK	5.1%
MABANEE KK	4.9%

Characteristics	Strategy
TTM P/E	16.42
P/B	1.6
P/CF	8.3
Dividend Yield	4.3%
Debt/Equity	1.29

Returns	Strategy (Gross)
MTD	1.4%
YTD	6.5%
ITD	4.3%

Risk Statistics - 1Yr	Strategy
Std. Dev	7.8%
Downside Risk	5.7%
MC VAR	19.9%
Sharpe Ratio	0.94

Cumulative Performance

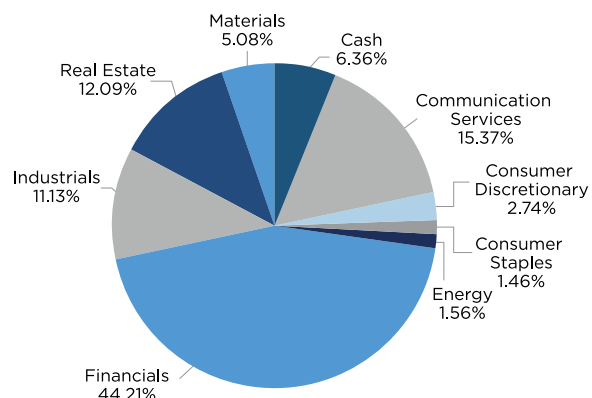


Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2024 (%)	5.2	1.2	-0.8	-2.2	0.6	-1.0	3.3	0.3	-1.43	1.4			6.5
2023 (%)		-0.9	-4.3	5.0	-4.0	4.1	1.7	-2.4	-1.8	-3.3	2.8	1.5	-2.1

30 Day Top Contributors & Detractors

Contributors	Return	Cont.	Detractors	Return	Cont.
AGLTY KK	13.7%	0.46%	ZAIN KK	-4.0%	-0.33%
CABLE KK	6.4%	0.27%	BOUBYAN KK	-2.1%	-0.22%
AAYANRE KK	11.5%	0.27%	HUMANSFT KK	-4.2%	-0.12%
BPCC KK	4.7%	0.23%	KRE KK	-0.8%	-0.02%
KIB KK	6.7%	0.22%	MABANEE KK	-0.2%	-0.01%

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.

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Commentary

Last month marked a robust performance for our Kuwait Strategy, with gains of +1.43%, effectively outpacing both the Kuwait All Shares Index and the Premier Market Index, which recorded +0.75% and -0.41%, respectively. This strong monthly performance brings our YTD gains to +6.55%, continuing to outperform the Premier Market Index for the same period. However, while we've managed to outpace the Premier Market Index, we are trailing the Kuwait All Shares Index by approximately 4%. This shortfall can largely be attributed to the remarkable performance of the Main Market's smaller-cap stocks, which has driven the index up. Much of this momentum has been fueled by speculative trading, particularly within the consumer discretionary sector, which has surged by 68.8% YTD. For us, however, this sector has proved challenging to navigate primarily due to the limited number of Shariah-compliant stocks, which restricts our exposure to certain high-performing names.

Among the contributors, **Agility Public Warehousing Company K.S.C.P. (AGLTY KK)** was up 13.7 for the month, making back most of last month's decline. Agility's subsidiary has invested KWD 20 million to expand its logistics hub in Riyadh by 100,000 square meters, boosting its operational capacity in Saudi Arabia. This strategic expansion positions Agility to capture growing demand in the region. **Gulf Cable and Electrical Industries Company - KPSC (CABLE KK)** saw a 6.4% increase in this month, driven by its strategic expansion efforts, including the planned \$2 billion acquisition of Foulath Holding and a recent 10% stake purchase in Bahraini Steel. These moves strengthen CABLE's market position and revenue potential within the industry, enabling it to leverage rising demand and regional growth opportunities, which in turn bolsters investor confidence and stock value. **Aayan Real Estate (AAYANRE KK)** saw an 11.5% increase in its stock this month following its agreement to acquire a stake in the Yal Complex for KWD 20.36 million. Profits from the asset will go directly to Aayan's shareholders upon completion, with payment structured over five years, positioning the company for steady future returns and enhancing investor confidence. Our recent addition to Aayan Real Estate has performed exceptionally, delivering a +22.4% return since our September reallocation and a strong +36.1% YTD performance.

As for the detractors, **Mobile Telecommunications Company K.S.C.P. (ZAIN KK)** was down 4% for the month, mainly due to its ex-dividend on September 29, meaning new buyers after this date weren't eligible for the upcoming dividend. This typically causes a temporary price dip, reflecting the dividend payout to existing shareholders. **Boubyan Bank K.S.C.P. (BOUBYAN.KW)** ended October down 2.1%, following an announcement on October 6, 2024, that it would sell 211.26 million shares for the Ministry of Justice. This large share sale initially caused a sharp 9% drop in Boubyan's stock price, though it later recovered, closing the month with a modest 2.1% decline.

In October 2024, Bursa Kuwait's liquidity increased by 13.9%, reaching KD 1.7 billion (\$5.1 billion), up from KD 1.5 billion (\$4.5 billion) in September. This surge contributed to a total liquidity of KD 11.9 billion (\$36.2 billion) for the first ten months of the year, marking a 38.4% rise compared to the same period in 2023. The surge in liquidity boosts market activity and investor confidence, supporting higher trading volumes and potentially enhancing market valuations. Kuwait's economy is expected to return to growth in 2024-2025 after two years of contraction, with non-oil GDP projected to expand by 2.3% in 2024 and 2.6% in 2025. Key growth drivers include a steadying in consumer spending, an increase in bank credit, and a strong boost in real estate sales. Additionally, the oil sector is anticipated to recover with OPEC+ cuts winding down in 2025, potentially raising oil GDP by 3.4% and total GDP growth to 3.0% in 2025. Risks to this outlook include fluctuations in oil prices, geopolitical tensions, and the pace of domestic reforms.

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