



THE MACRO STORY - PETROCHEMICAL AND CEMENT SECTORS OF SAUDI ARABIA

Saudi Arabia's economy has witnessed tremendous growth mainly driven by the boom in petrochemical industry and massive infrastructural development projects taken up by the government. Low feedstock costs, economies of scale, market access & logistics gives Saudi Arabian petrochemicals producers an enormous competitive advantage. The government initiatives to set up economic cities and world-class infrastructure for industrial growth resulted in huge demand for cement. These factors contribute to high earning potential and exponential growth of Petrochemical and Cement Sectors.

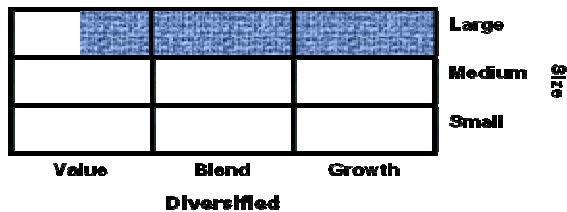
FUND OBJECTIVE

Achieve long term capital appreciation by investing in Shariah compliant equity shares in the Petrochemical and Cement sectors of Saudi Arabian Stock Market. The fund also provides liquidity to the investors.

INVESTMENT PHILOSOPHY

The fund adopts bottom up approach to select fundamentally strong companies available at attractive valuations that can generate sustainable performance and solid growth. The composition is well diversified across petrochemical and cement sectors. The stock picking and sell discipline is driven by macroeconomic factors, geopolitical conditions, industry trends.

INVESTMENT STYLE

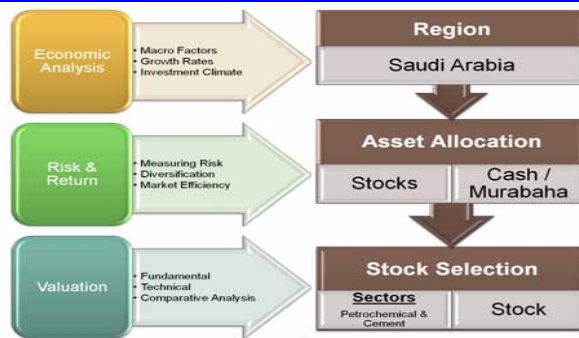


The fund is actively managed with a disciplined stockpicking within the scope of universe defined by Shariah constraints. The style mainly focuses on capital growth and blend stocks with the large to medium market capitalization using top-down / bottom-up as appropriate to given market conditions. The investment ideas are based on fundamental analysis and timing of trade execution on the basis of technicals. The diversification plays major role in minimizing risk and maximizing returns.

INVESTMENT STRATEGY

- The fund will invest predominantly in Shariah compliant equities of Petrochemical and Cement sectors listed and traded on Tadawul in Saudi Arabia. It can also invest upto 15% of AUM in other sectors driven by potential opportunities available.
- The asset allocation is determined by general market conditions within these sectors. The fund selects stocks which are likely to achieve above average growth than the industry, enjoy distinct competitive advantages, and have superior financial strengths.
- The fund is optimized by using sophisticated investment techniques by maximizing returns and minimizing risk while measuring the performance against the benchmark index.

FUND CONSTRUCTION PROCESS



STOCK SELECTION PROCESS



FUND FEATURES

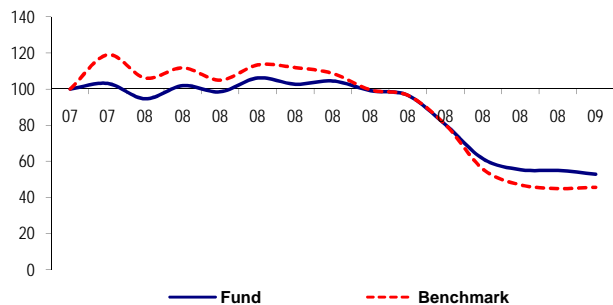
Fund Type	Open Ended Equity Fund - Sectoral
Inception Date	Nov-2007
Inception Price	SAR 10
Fund Currency	Saudi Riyals
Benchmark	TASI - Petrochem 50% & Cement 50%
Subscription Fee	2%
Management Fee	1.75% Annually
Performance Fee	Nil
Minimum Subscription	SAR 10,000
Minimum Additional Subscription	SAR 2,000
Minimum Redemption	SAR 2,000
Valuation Frequency & Days	Bi-weekly - Saturday & Tuesday
Cut-Off Time & Day	Before 5 PM - Wednesday & Monday
Announcement & Payment Day	Sunday & Wednesday

INVESTMENT RISK

Mutual Fund investments are subjected to market risk. The value of the units (Net Asset Value) may go up or down due to several factors affecting the capital markets impacting on potential returns. Hence, the investor bears the risk of loss of money by in the fund.

However, the investment risk is reduced by diversification of investment across different sectors and companies, reducing tracking error and applying sophisticated techniques after risk into alpha and beta thereof. The fund strikes trade-off between risk and return deemed reasonable under the given market conditions.

PERFORMANCE



BENCHMARK

The performance of the Fund is measured against a customized benchmark index which is composed of all Shariah compliant stocks from Petrochemical and Cement Sectors listed on stock exchange of Saudi Arabia.

FUND MANAGER

Al Rajhi Capital is the Fund Manager of the fund.

LATEST AWARDS

Awardee	Year	Category	Rank
IPC Award			
Lipper			

INFORMATION

Al Rajhi Capital: www.alrajhi-capital.com
Tadawul: www.tadawul.com.sa

Databases	Website	Tickers
Bloomberg	www.bloomberg.com	
Thomson Reuters	www.lipperweb.com	LP65107060
Zawya	www.zawya.com	RAJRPCF.MF