



AWRAQ FUND

A Fund of the Awraq World Investments Fund Company B.S.C (closed)

NAV / Share

Jan-16

53.06

Fund Objective & Strategy

The Fund seeks to achieve long term capital appreciation by investing in a diversified portfolio of stocks listed on the MENA stock exchanges. The Fund employs a semi-active fund management style with a blend of growth and value and is benchmarked to a customized S&P Pan Arab Index limited to a country maximum of 30% and a position maximum of 7% to reflect the Fund's investment guidelines. The investment process is based on a bottom-up stock selection methodology coupled with a thorough analysis of top-down macro economic drivers.

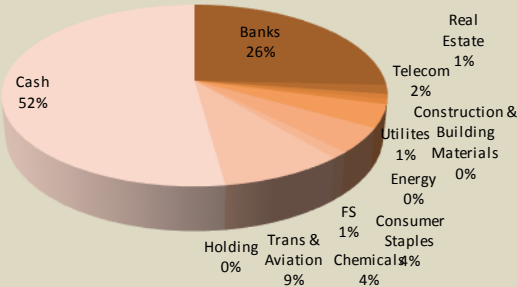
Fund Information

Asset Type	Equity
Fund Manager	Awraq Investments
Sponsor	Cairo Amman Bank
Custodian	Gulf Custody Company
Fund Listing	Bahrain
Fund Structure	Open Ended
Fund Size	USD 3,417,217
Liquidity	Bi Weekly
Indv. Min Sub	USD 25,000
Corp. Min Sub	USD 100,000
Management Fee	2.0% p.a.
Performance Fees	15% over 10%
Launch Date	31-Oct-07
Bloomberg Ticker	AWRAAQF BI Equity

Fund Characteristics & Risk Metrics

Number of Holdings	23
Alpha	3.96%
Beta	0.81
Standard Deviation	15.33%
Information Ratio	0.62

Sector Allocation



Country Allocation

Country	Benchmark (%)	Fund (%)
Saudi	25.06%	9.16%
Egypt	8.87%	6.50%
Qatar	17.13%	14.80%
UAE	16.89%	9.39%
Jordan	5.45%	4.21%
Kuwait	16.86%	4.24%
Oman	5.44%	0.15%
Morocco	4.32%	0.00%

Market Review

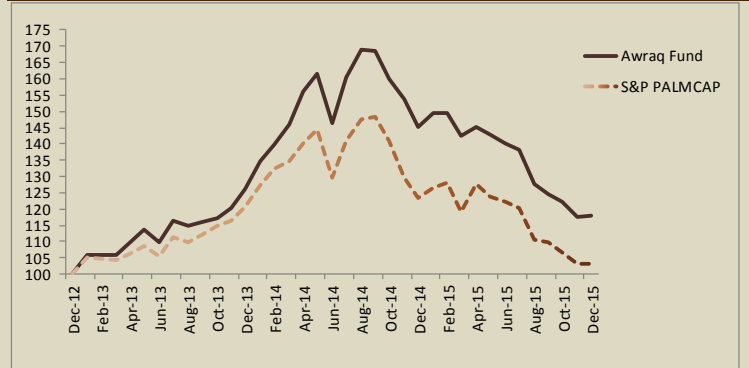
International markets across the board had a poor start for the year 2016. The Awraq World Investment Fund declined by 8.62% while the benchmark was down by 8.72%. Internationally, the S&P and Dow recorded their worst opening trading day in the year since 2008. Global markets were hammered across the board during the month, which was mainly led by Asia due to weak manufacturing data from China's side and concerns over its economic slowdown.

GCC markets were not different from the global markets with all markets recording declines at various levels. Saudi Arabia, Qatar and Kuwait booked the heaviest losses, dropping 13.2%, 9.1% and 8.9%, respectively, while Dubai and Abu Dhabi markets were the least to decline by 4.9% and 5.9%, respectively. This comes after Saudi Arabia cut its diplomatic ties with Iran in response to the storming of its Embassy in Tehran, which led oil to reach the \$27.9 USD (11 years low) reflecting more than 25% drop in one month.

However, rumors were circulating during the last two weeks that Russia and Saudi Arabia proposed to cut oil production by 5% causing oil prices to climb significantly and closing the month at USD 34.74 reflecting only -6.8% drop in January.

This update does not constitute an offer of Units and should not be relied upon by any person acquiring or otherwise dealing in Units of the Fund. Subscription for Units in the Fund may only currently be made on the terms of the prospectus of the Fund. It should be noted that investment in the fund is only suitable for sophisticated investors who are aware of the risks of investing in Awraq Fund and should be regarded as long term. Please remember that past performance is not necessarily a guide to the future. Market and currency movements may cause the value of Units and the income from them to fluctuate and you may get back less than you invested when you decide to sell your Units. Awraq Fund is not licensed nor approved by Jordan Securities Commission.

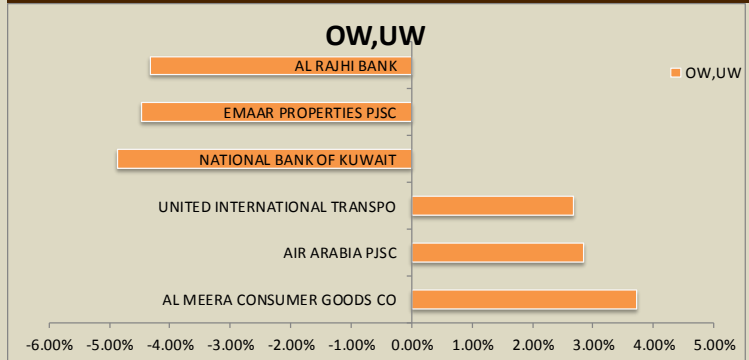
USD 100 Invested Since 2013 Year Beginning



Cumulative Returns (%)

	1 M	3 M	1 Y	YTD	Since Incp
Fund	-8.62%	-11.84%	-27.94%	-8.62%	-46.94%
Benchmark	-8.72%	-11.49%	-25.41%	-8.72%	

Top Three Under & Overweight vs Benchmark



Top Five Fund Holdings

ARAB BANK PLC	4.21%
QATAR NATIONAL BANK	3.94%
AL MEERA CONSUMER GOODS CO	3.71%
FIRST GULF BANK	3.34%
COMMERCIAL INTERNATIONAL BAN	3.26%

Market Outlook

In Saudi Arabia, most of the companies have announced their FY results. The majority of the firms have reported good results, which came in line with estimates. On the other hand, after the Saudi Government issued several amendments on Energy products prices (cut in subsidies), listed firms disclosed the projected impact resulted from such amendments, which led the market to react closing the month down by 13.2%.

In UAE and Qatar, banks were the only listed entities to disclose their FY results. In general, results were strong and banks maintained their strong dividend payouts providing investors with a relatively high dividend yield. However, both markets' performances were affected significantly by the sharp decrease in Oil prices, closing the month down by 4.9% and 9.1%.

Going forward, considering the high volatility in global markets and oil prices, we are adopting a cautious strategy as we maintain high cash percentage in order to perform some tactical trades during the coming period. Despite the rumors over the Saudi and Russian agreement to cut oil production, oil market is still alert over Iran oil supply, as it is going to weigh as soon as sanctions are officially lifted off the country. Therefore, we expect volatile performance for the regional markets seeing the instability in oil prices.

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