

Monthly Factsheets

August 2023

Equity Funds

❖ **Thematic**

- Vision Real Economy GCC Fund4
- Vision Focused Fund5

❖ **Shariah**

- Vision Al Khair GCC Fund.....6

Market Update

Global Markets

August proved to be a challenging month for global equity markets, as both developed and emerging markets experienced heightened volatility. Weak economic data, renewed concerns about the Chinese property market amid lower trading volumes impacted investor confidence. Market sentiment took a turn after a robust July, as worries about sustained high interest rates prompted profit-taking. Developed markets saw a decline of 2.8%, while emerging markets faced a more significant drop of 5.3%.

The start of August saw Fitch downgrade the US government's credit rating from AAA to AA+, owing to concerns about the sustainability of the country's debt and deficit levels. The US labor market continued to show strength in July, with 187,000 payroll job gains, slightly below the consensus expectation of 200,000. Despite the relative strength of the US economy, the first Fed rate cut is expected to be in June 2024. During August, the Dow declined 2.4%, the Nasdaq lost 2.2%, and the S&P 500 fell by 1.8%.

In Europe, Eurostat's preliminary GDP estimate indicated a modest growth of 0.3% QoQ in Q2 2023. Despite this moderate growth, the euro area's labor markets remained extremely tight, with the unemployment rate reaching a record-low of 6.4% in June. In the UK, the Bank of England took action at the beginning of August by raising its policy rate by 25 basis points, bringing the Bank Rate to 5.25%. European markets ended lower with the FTSE and DAX losing 3.4% and 3% respectively while the CAC fell 2.4%.

Despite the initial excitement surrounding Japanese equities, the enthusiasm has waned, leading to a period of consolidation. The Nikkei remained rangebound and ended the month lower by 1.7%. Japan's economy expanded by 6.0% QoQ in the second quarter of 2023. China's recent economic data revealed significant weaknesses, falling below expectations. To address these challenges, as well as deflationary risks, the People's Bank of China (PBoC) implemented two interest rate cuts in August. However, despite these rate cuts, credit demand has remained subdued. The Hang Seng and Shanghai declined 8.5% and 5.2% respectively.

	MTD	YTD	P/E (x)
Commodities			
Brent spot	1.52%	1.11%	-
Gold	-1.27%	6.37%	-
Leading Benchmarks			
S&P Global BMI	-3.08%	12.51%	18.50
S&P Developed BMI	-2.82%	13.70%	19.34
S&P Emerging BMI	-5.33%	2.89%	13.40
S&P GCC Comp Index	-3.22%	2.90%	16.63
S&P GCC Shariah Index	-2.47%	6.50%	19.99
MSCI World	-2.55%	14.73%	19.07
MSCI Emerging	-6.36%	2.50%	14.16
MSCI GCC	-3.75%	-0.31%	15.87
Developed Equities			
Dow Jones	-2.36%	4.75%	20.87
S&P 500	-1.77%	17.40%	22.07
Nasdaq	-2.17%	34.09%	39.20
FTSE	-3.38%	-0.17%	10.76
DAX	-3.04%	14.53%	12.52
CAC	-2.42%	13.02%	12.61
Emerging Equities			
Nikkei	-1.67%	25.00%	25.97
Sensex	-2.55%	6.56%	22.66
Shanghai	-5.20%	0.99%	13.90
Hang Seng	-8.45%	-7.07%	10.32
KOSPI	-2.90%	14.30%	18.09
GCC Equities & Egypt			
Saudi Arabia	-1.72%	9.66%	19.15
Abu Dhabi	0.24%	-3.93%	31.82
Dubai	0.58%	22.39%	9.33
Oman	0.48%	-1.20%	13.25
Kuwait	-3.42%	-3.93%	16.27
Doha	-7.01%	-4.55%	12.77
Bahrain	-2.02%	3.00%	7.35
Egypt	7.26%	29.29%	8.48

Global oil prices remained stable during the month, with concerns about growth in China offsetting the effects of production cuts. Brent gained 1.5% for the month. Meanwhile, European natural gas prices saw a significant increase of 23% in August. This rise was driven by concerns over a potential strike at three liquefied natural gas (LNG) facilities in Australia, which could disrupt as much as 10% of the world's LNG supply.

GCC

In line with global market weakness, GCC markets also declined during the month with the S&P GCC composite down 3.2%. Dubai, Oman and Abu Dhabi indices closed in the green. The Dubai General Index continued its uptrend gaining 0.6% in August driven by Consumer staples, Industrial and real estate indices despite a 41% decline in trading volumes. Dubai's Real GDP grew 2.8% YoY in Q1 2023 supported by robust tourist inflows and strong real estate activity. Abu Dhabi index rose 0.2% led by the healthcare, consumer discretionary and utilities indices. Telecommunication, consumer staples and materials sectors were laggards. Trading volumes rose 4% during the month while turnover rose 15% MoM.

Qatar was the worst performing market for the month declining 7% pushing YTD returns back in the negative by 4.6%. All sector indices ended lower with steep losses of 8.2% in the Transportation sector and a 7.7% decline in the banking and financial services sector.

The Kuwait market also ended in the red with the Premier index down 4.5% while the All-share index fell 3.4%. The Consumer discretionary, industrial and banking sectors were the largest decliners offsetting gains in the healthcare and insurance sectors.

The Saudi index fell 1.7% on an 11% decline in trading volumes during the month. Sharp declines in the healthcare equipment, commercial & professional services and food & beverage sectors offset strong gains in the software, energy and consumer services sectors. The Bahrain All Share index declined 2% while Oman's MSX 30 index was up 0.5% on gains in the financial sector.

Vision Funds

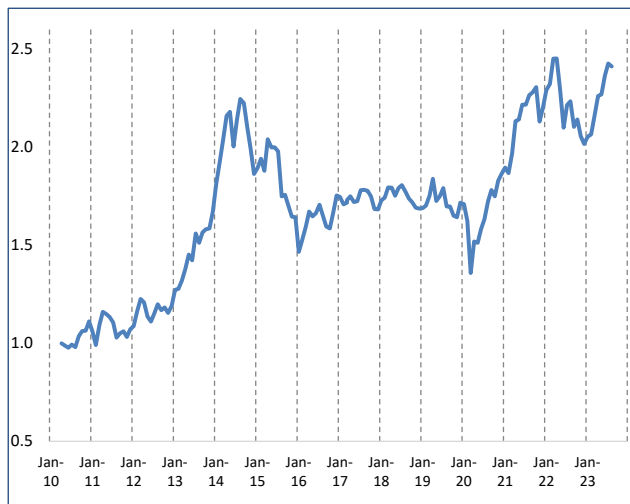
The Vision Real Economy GCC Fund declined 0.6%. The Sharia focused Vision Al Khair GCC Fund declined 1.4% for the month. Vision Focused Fund declined 1.1% for the month with its concentrated portfolio strategy.

Outlook

The correction experienced in global markets during August has led to a shift in investor sentiment, transitioning from positive to neutral as concerns about future growth in the coming quarters emerge. The ongoing weakness in the Chinese economy has the potential to continue influencing global growth expectations. While there is a slight improvement in market sentiment, an overarching theme of caution is becoming more prominent. Maintaining targeted exposure to sectors poised to benefit from long-term government incentives can help mitigate risks associated with a potential medium-term economic slowdown. That said, we continue to be well diversified with a focus on quality names with medium term catalysts.

NAV (per unit) **RO. 1.319 (USD. 3.425)**

Performance Chart *



(* Adjusted for dividends, assuming dividends are reinvested)

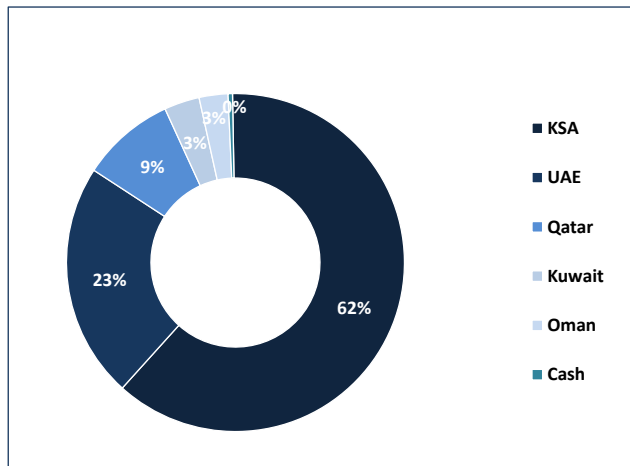
Fund Objective

The objective of the Fund is to achieve capital appreciation and income generation by providing its investors the opportunity to participate in the growth of Real Economy Sectors of GCC.

Fund Information

Date of Inception	April 14, 2010
Lipper ID	68053041
Bloomberg ID	VIREGCC OM
Investment Manager	Vision Capital SAOC
Custodian & Administrator	National Bank of Oman
Auditors	Moore
Fund type	Open Ended
Annualized Standard Deviation	13.8%
High/(Low) Monthly Return	11.87% (Apr 2020), -16.39% (Mar 2020)
Latest Dividend Paid	50 baiza (Mar 2023)
Total Dividend Paid	780 baiza

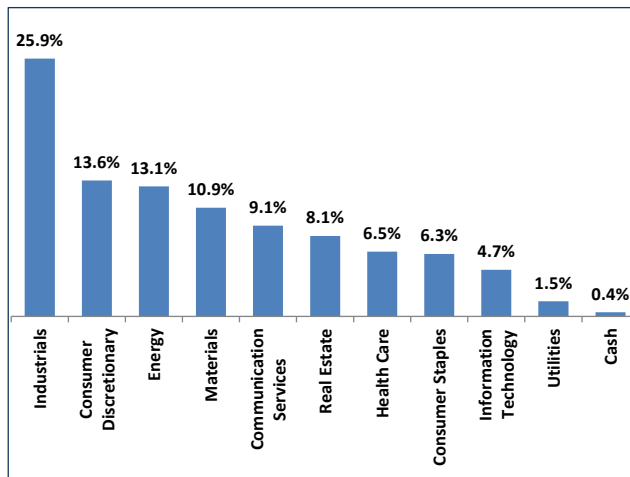
Country Allocation



Top 3 Holdings

Script	Country	Allocation
Saudi Telecom Co	KSA	3.4%
Emaar Properties Pjsc	UAE	3.3%
Saudi Basic Industries Corp	KSA	2.9%

Sector Allocation



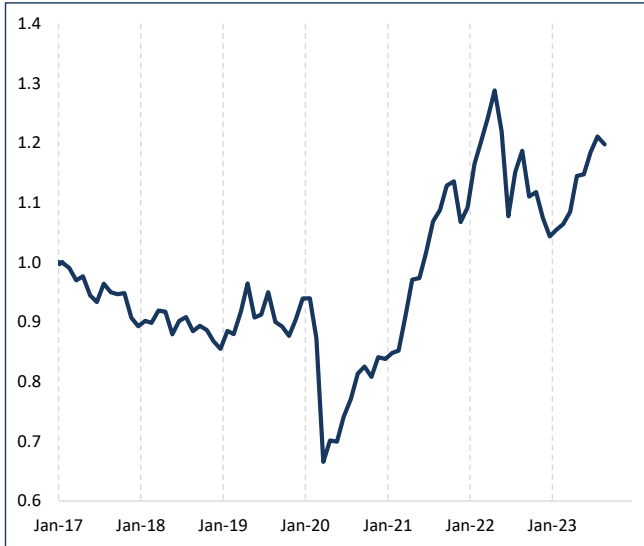
Fund Performance *

Aug-23	YTD	3 Years	Since Inception
-0.6%	19.6%	39.8%	141.2%

(* Adjusted for dividends, assuming dividends are reinvested). Sector allocation based on GICS Methodology.

NAV (per unit) **RO 1.137 (USD 2.952)**

Performance Chart



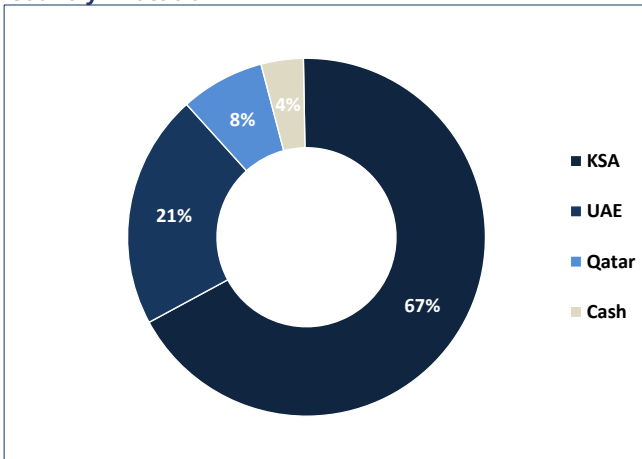
Fund Objective

The objective of the Fund is to pursue long-term capital growth by investing in a concentrated set of select stocks in the middle east equity market sphere.

Fund Information

Date of Inception	12-Jan-17
Lipper ID	68404006
Bloomberg ID	VISFGCC OM
Investment Manager	Vision Capital SAOC
Custodian & Administrator	National Bank of Oman
Auditors	Moore
Fund type	Open Ended
Annualized Standard Deviation	10.7%
High/(Low) Monthly Return	3.29% (July '17)/-4.32% (Nov '17)
Latest Dividend Paid	60 baiza (Feb 2022)
Total Dividend Paid	60 baiza

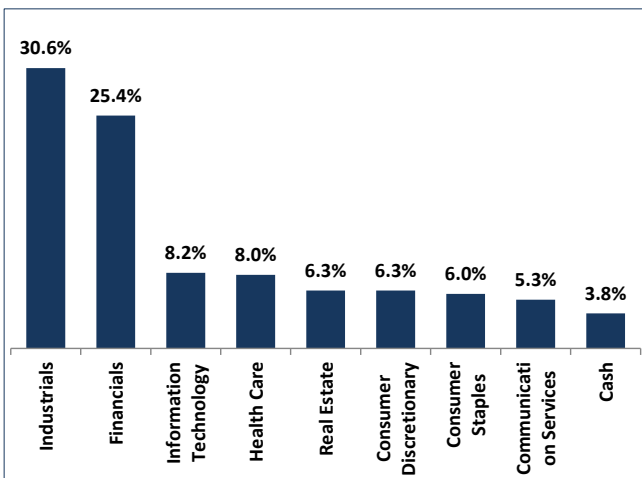
Country Allocation



Top 3 Holdings

Scrip	Country	Allocation
Middle East Healthcare Co	KSA	8.0%
Saudi British Bank	KSA	6.9%
Saudi Airlines Catering Co	KSA	6.7%

Sector Allocation



Fund Performance

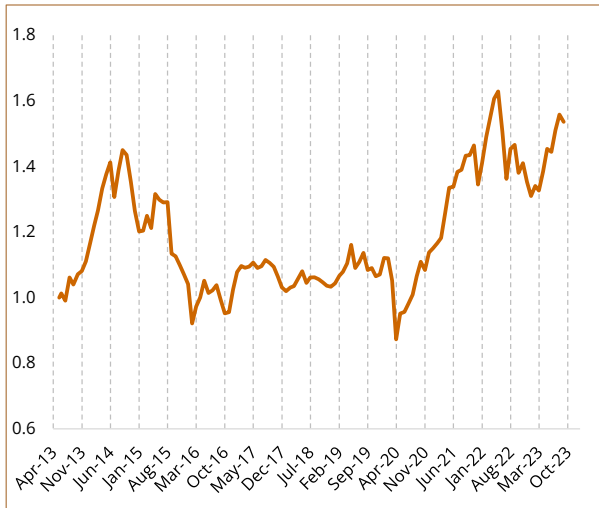
	Aug-23	YTD	3 Years	Since Incep.
	-1.1%	14.8%	47.2%	19.8%

(* Adjusted for dividends, assuming dividends are reinvested). Sector allocation based on GICS Methodology.)

NAV (per unit)

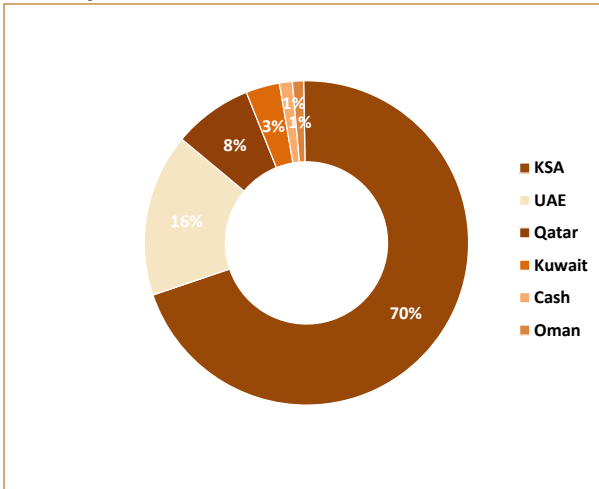
RO. 1.228 (USD. 3.188)

Performance Chart*

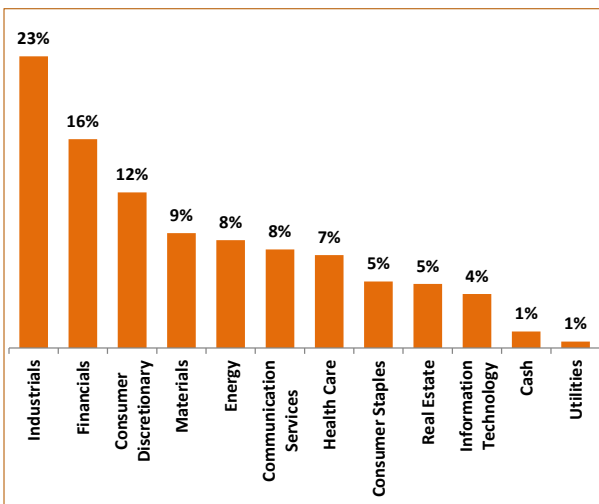


(* Adjusted for dividends, assuming dividends are reinvested)

Countrywise Allocation



Sector Allocation



Fund Objective

The objective of the Fund is to achieve capital appreciation and income generation by providing its unit holders an opportunity to invest in the listed securities in the GCC economies that are compliant to Shariah principles. The Fund will follow a dynamic allocation policy with investments spread across a diversified range of industries in the GCC.

Fund Information

Date of Inception	May 15, 2013
Lipper ID	68212188
Bloomberg ID	VISAKGC OM
Investment Manager	Vision Capital SAOC
Custodian & Administrator	National Bank of Oman
Auditors	Moore
Shariah Advisor under AAOIFI	Shariyah Review Bureau W.L.L.
Fund type	Open Ended
Ann. Standard Deviation	11.0%
High / (Low) Monthly Return	8.98% (April 2020), -17.08% (March 2020)
Latest Dividend Paid	50 Baiza (Mar 2023)
Total Dividend & Bonus Paid	200 baiza (Dividend), 5% (Bonus)

Top 3 Holdings

Scrip	Country	Allocation
Alinma Bank	KSA	7.0%
Saudi Telecom Co	KSA	2.9%
Riyadh Cables Group Co	KSA	2.8%

Fund Performance*

Aug-23	YTD	3 Years	Since Inception
-1.4%	17.3%	44.2%	53.6%

(* Adjusted for dividends, assuming dividends are reinvested). Sector allocation based on GICS Methodology