

Monthly Factsheets

May 2024

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Market Update

Global Markets

After a disappointing April, May witnessed positive momentum in international markets, driven by investor optimism about the economic outlook, which boosted risk assets. Developed markets outperformed emerging markets, delivering returns of 4.1% over the month. Investors continued to anticipate interest rate cuts; however, central bank policy expectations are starting to desynchronize.

US markets saw strong gains in May, propelled by stronger-than-expected corporate earnings and hopes for interest rate cuts later this year. The S&P 500 rose 4.8%, bringing its YTD performance to 10.6%, while Nasdaq and Dow Jones gained 6.9% and 2.3%, respectively. Despite two quarters of better-than-anticipated growth, US GDP expansion slowed to 1.3% in Q1 2024. The economic outlook remains mixed with stagnating industrial production and retail sales, although the S&P composite PMI reached a two-year high of 54.3 in May. Additionally, non-farm payrolls data showed 175,000 jobs added in April, below consensus expectations.

In Europe, economic activity improved in May, with services sectors remaining strong and signs of recovery in manufacturing. In European equities, the Dax rose 3.2% while CAC was flat at 0.1% and the FTSE rose 1.6%. Eurozone GDP grew by 0.3% in Q1, and corporate profits surprised positively. The ECB is confident about disinflation, with rates expected to be cut in June despite headline and core inflation accelerating to 2.6% and 2.9% YoY, respectively. UK headline inflation fell to 2.3% YoY, but high services inflation makes a June rate cut unlikely.

Asian markets remained mixed in May, with Hang Seng up by 1.8% while the Shanghai Composite and Sensex fell 0.6%, and 0.7%, respectively. In China, data continued to surprise positively, driving a rebound in the equity market, but concerns persist regarding the sustainability of this rally due to unresolved issues in the real estate sector and reliance on export growth. In Japan, currency weakness buoyed the export-heavy equity market, but the impact on consumer sentiment from low yen levels weighed on stock performance, with the Nikkei returning 0.2% in May.

Commodity markets were mixed, with natural gas, silver, and wheat gaining significantly, but oil and steel remaining negative. Oil prices declined in May after peaking in April, as OPEC+ extended the assessment period for reference production levels, impacting targets for 2024 and 2025. Brent fell 7.1% to \$80.62 per barrel while Gold rose 1.8% for the month.

	MTD	YTD	P/E
Commodities			
Brent spot	-7.1%	5.9%	-
Gold	1.8%	12.8%	-
Leading Benchmarks			
S&P Global BMI	3.8%	7.4%	21.1x
S&P Developed BMI	4.1%	7.8%	21.9x
S&P Emerging BMI	0.9%	4.0%	16.1x
S&P GCC Comp Index	-6.0%	-6.5%	15.3x
S&P GCC Shariah Index	-6.0%	-5.5%	19.0x
MSCI World	4.2%	8.7%	21.6x
MSCI Emerging	0.3%	2.5%	15.1x
MSCI GCC	-6.4%	-8.2%	13.9x
Developed Equities			
Dow Jones	2.3%	2.6%	22.2x
S&P 500	4.8%	10.6%	24.7x
Nasdaq	6.9%	11.5%	40.9x
FTSE	1.6%	7.0%	14.9x
DAX	3.2%	10.4%	16.3x
CAC	0.1%	6.0%	13.9x
Emerging Equities			
Nikkei	0.2%	15.0%	27.0x
Sensex	-0.7%	2.4%	23.2x
Shanghai	-0.6%	3.8%	14.5x
Hang Seng	1.8%	6.1%	10.3x
KOSPI	-2.1%	-0.7%	15.6x
GCC Equities & Egypt			
Saudi Arabia	-7.2%	-3.9%	19.9x
Abu Dhabi	-2.3%	-7.5%	17.8x
Dubai	-4.3%	-2.0%	7.8x
Oman	1.3%	7.3%	12.9x
Kuwait	0.0%	3.4%	17.6x
Doha	-4.2%	-14.0%	10.5x
Bahrain	0.5%	3.4%	7.8x
Egypt	10.1%	8.1%	8.0x

GCC

GCC equity markets continued to decline for the third consecutive month as market sentiment was negatively impacted by the selloff in crude oil prices, an uncertain geopolitical landscape, and a "higher for longer" rates environment that could discourage corporate borrowings. With the exception of Oman and Bahrain, all other GCC markets remained in negative territory, contributing to a 6% decline in the S&P GCC Composite Index. Saudi Arabia's Tadawul index was the worst-performing market, declining 7.2% for the month, followed by Dubai and Qatar, which both declined by over 4%. Abu Dhabi ended down by 2.3% for the month. On the other hand, Oman and Bahrain ended the month gaining 1.3% and 0.5%, respectively.

The sharp decline in the Saudi Arabian market was driven by broad-based selling across all sectors, pressured by oil price volatility and earnings weakness in some sectors. The Software & Services index led the laggards with a steep decline of 14.3%, followed by Real Estate at -13.5% and Media at -13.3%. The Utilities and Capital Goods sectors saw the lowest declines, at 1.3% and 2.7%, respectively.

In addition to the declines in the Consumer Staples index, which fell by 8.8%, and Real Estate, which witnessed a 7.9% fall during May 2024, a 3.1% decline in the heavyweight Financial index dragged the Dubai market lower by 4.3% for the month. Dubai's real estate sector is showing marked improvement, with rents growing 10% year-on-year (YoY) during Q1 2024, while tourist numbers increased 11% YoY in Q1 2024. This is expected to benefit Dubai's hotels and hospitality sector. The Abu Dhabi index declined by 2.3% for the month, led lower by the Industrial and Healthcare sectors. The IMF has forecast UAE growth at 4% for 2024, driven by improving activity in the Tourism, Construction, and Financial Services sectors.

Qatar declined by 4.2% for the month, led lower by the Telecom (-5.6%), Insurance (-5.2%), and Banks & Financial sectors (-4.6%). However, the Real Estate and Transportation sectors bucked the trend, rising by 1.3% and 0.6%, respectively. Qatar's non-oil growth is expected to accelerate to 2-3% in 2024 and 2025, following a decline post the 2022 FIFA World Cup.

Kuwait's Premier Index and All Share Index ended flat for the month, while the Main Market Index rose by 0.6%. The Consumer Staples and Real Estate indices rose by 5.3% and 3.2%, respectively, while the Technology and Healthcare sectors declined the most, by 10.7% and 8.5%, respectively. The Kuwait Emir appointed the new cabinet and reiterated urgent priorities that include the development of education, healthcare, and accelerated infrastructure development to achieve Kuwait's Vision 2035.

Bahrain rose 0.5% for the month on higher trading activity. The Financial and Consumer Staples sectors were among the top gainers, while the Real Estate and Materials sectors declined. Oman's MSX index rose by 1.3%, led by the Financial index. Oman reported a budget surplus of OMR 160 million in Q1 2024, with public debt reduced to OMR 15.1 billion.

Vision Funds

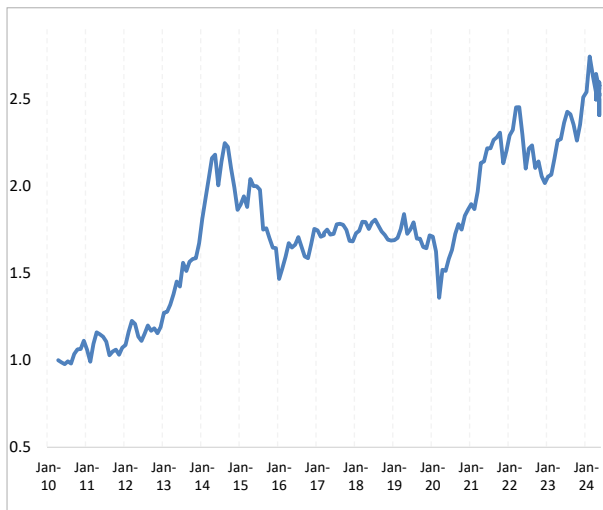
The Vision Real Economy GCC Fund declined 5.4%. The Sharia focused Vision Al Khair GCC Fund declined 5.5% for the month. Vision Focused Fund declined 4.6% for the month with its concentrated portfolio strategy.

Outlook

With inflation trending lower in most developed economies, Central banks are being patient with monetary easing to keep reflation risks at bay. Market sentiment remains buoyed by healthy corporate fundamentals and broadly supportive economic indicators. The outlook for regional equity markets remains cautiously optimistic, as evidenced by continued foreign participation and strong demand for IPOs and new listings, despite volatile commodity cycles and geopolitical concerns. Improving non-oil GDP contributions, development expenditure and strengthening outlook in select sectors are likely tailwinds for the region.

NAV (per unit) **RO. 1.320 (USD 3.434)**

Performance Chart *



(* Adjusted for dividends, assuming dividends are reinvested)

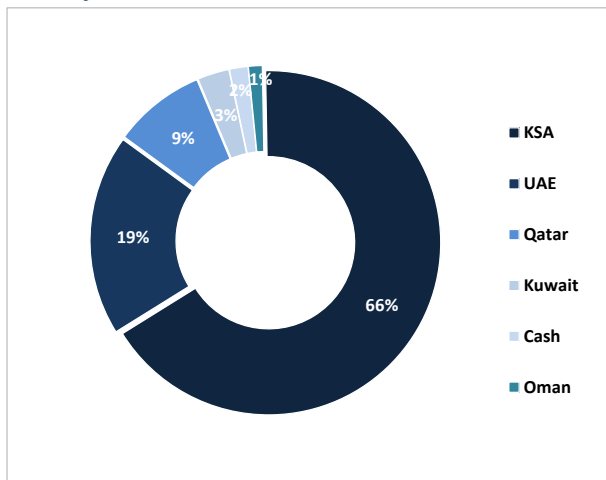
Fund Objective

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	Talal Abu Ghazaleh & Co
Fund type	Open Ended
Annualized Standard Deviation	14.7%
High/(Low) Monthly Return	11.9% (Apr 20), -16.4% (Mar 20)
Latest Dividend Paid	50 baiza (Mar 2024)
Total Dividend Paid	830 baiza

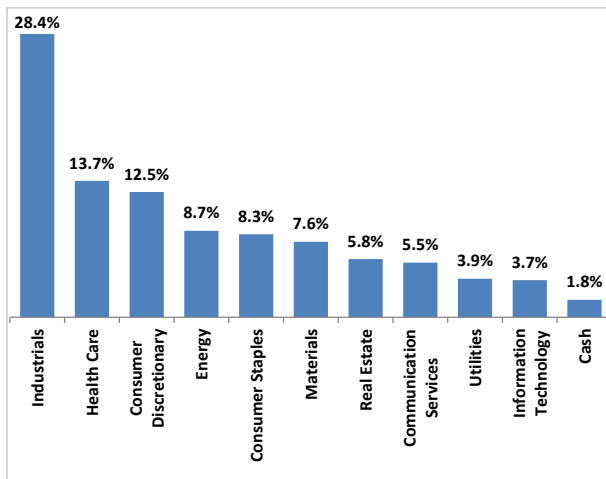
Country Allocation



Top 3 Holdings

Scrip	Country	Allocation
Leejam Sports	KSA	3.9%
National Medical Care	KSA	3.4%
Emaar Properties	UAE	3.2%

Sector Allocation



Fund Performance *

	May-24	YTD	3 Years	Since Inception
	-5.4%	-0.4%	16.8%	150.0%

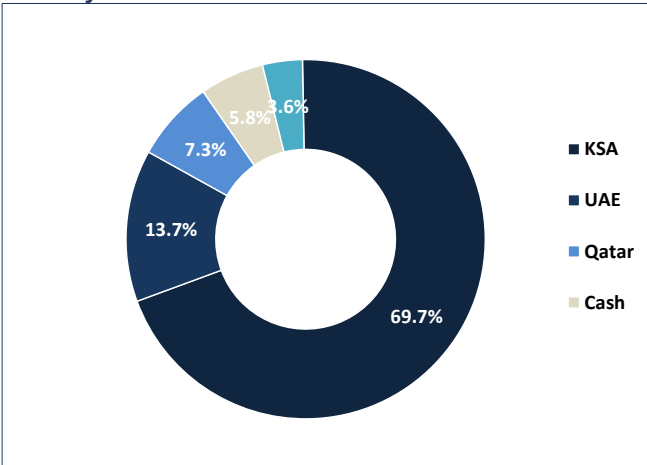
(* Adjusted for dividends, assuming dividends are reinvested). Sector allocation based on GICS Methodology.

NAV (per unit) **RO 1.176 (USD 3.058)**

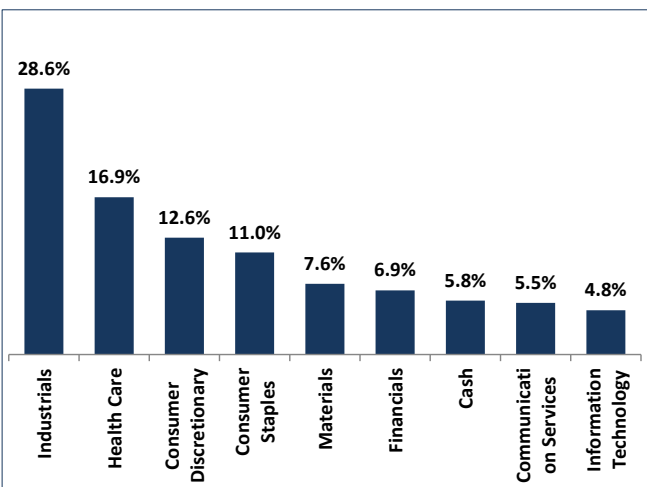
Performance Chart



Country Allocation



Sector Allocation



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	January 12, 2017
Lipper ID	68404006
Bloomberg ID	VISFGCC OM
Investment Manager	Vision Capital SAOC
Custodian & Administrator	National Bank of Oman
Auditors	Talal Abu Ghazaleh & Co
Fund type	Open Ended
Annualized Standard Deviation	15.7%
High/(Low) Monthly Return	7.5% (Feb 24), -23.7% (Mar 20)
Latest Dividend Paid	50 baiza (Mar 2024)
Total Dividend Paid	110 baiza

Top 3 Holdings

Scrip	Country	Allocation
Burjeel Holdings Plc	UAE	9.3%
National Medical Care	KSA	7.6%
East Pipes Integrated Co For	KSA	7.6%

Fund Performance

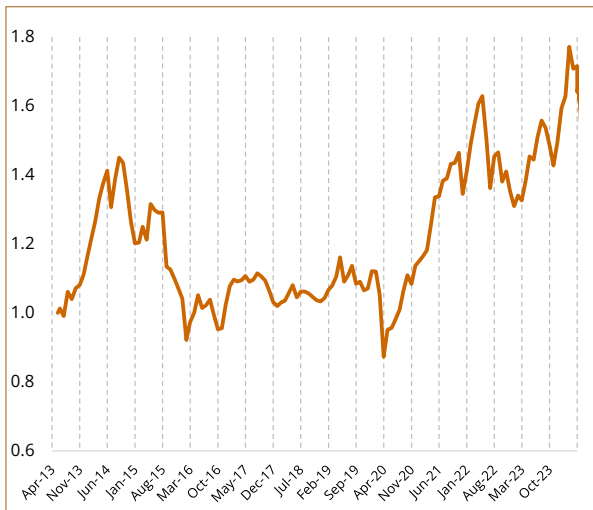
May-24	YTD	3 Years	Since Incep.
-4.6%	2.3%	32.2%	28.7%

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

NAV (per unit)

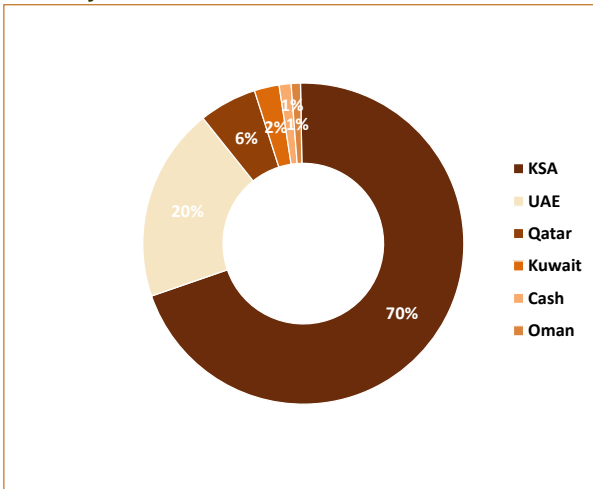
RO 1.240 (USD 3.225)

Performance Chart*

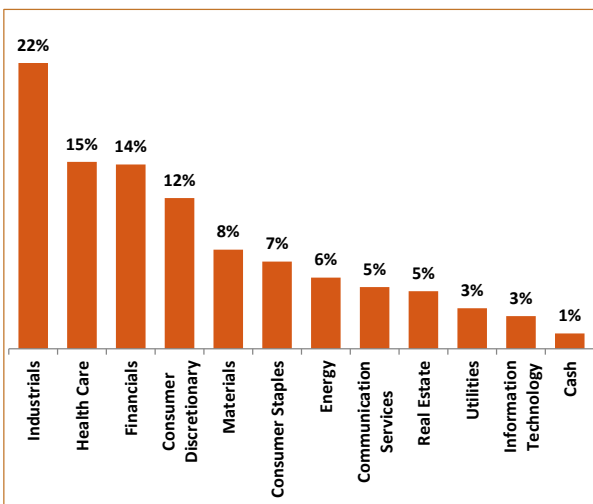


(* Adjusted for dividends, assuming dividends are reinvested)

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	Talal Abu Ghazaleh & Co
Shariah Advisor under AAOIFI	Shariyah Review Bureau W.L.L.
Fund type	Open Ended
Ann. Standard Deviation	14.7%
High / (Low) Monthly Return	9.0% (Apr 20), -17.1% (Mar 20)
Latest Dividend Paid	60 Baiza (Mar 2024)
Total Dividend & Bonus Paid	260 baiza (Dividend), 5% (Bonus)

Top 3 Holdings

Scrip	Country	Allocation
Alinma Bank	KSA	4.8%
National Medical Care	KSA	3.7%
Leejam Sports	KSA	3.4%

Fund Performance*

May-24	YTD	3 Years	Since Inception
-5.5%	1.8%	21.2%	62.2%

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