

## Monthly Factsheets

August 2024

### Equity Funds

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## Market Update

### Global Markets

August was an eventful month for investors, as disappointing U.S. economic data and an interest rate hike by the Bank of Japan triggered a sharp sell-off in global equity markets. In the U.S., the July ISM manufacturing index came in well below expectations (46.8 vs. 48.8), while the July jobs report showed the smallest payroll increase (144k) in over three years, raising concerns of a potential recession. However, by the end of the month, markets had calmed as investors anticipated more aggressive policy easing by the Federal Reserve. Weekly jobless claims stabilized, inflation came in close to expectations and remained on its downward path, sales in the service sector bounced back and retail sales rose, exceeding expectations and showing consumers are still spending. Concerns are now focused on the direction of the labor market and the possibility of a job market slowdown, but a recession is far less likely. The S&P 500 ended the month up 2.3%, Dow Jones rose 1.8% and Nasdaq increased marginally by 0.6% during the month.

Europe fared much better in August supported by a positive set of inflations readings, which is likely to free the hands of European Central Bank to cut interest rates more aggressively, something that might be need of the situation given still lackluster growth, especially in Germany. In Europe, DAX and CAC both remained positive gaining 2.2% and 1.3%, respectively for the month.

Emerging Markets fell and then recovered partially in

August alongside their developed market peers, however the overall performance was mixed. China's Shanghai Composite lost 3.3% due to ongoing concerns about weaker-than-expected economic growth in the country. The Manufacturing PMI in China fell to its six-month low of 49.1 from 49.4 in July, against the market expectation of 49.5. The KOSPI lost 3.5% and the Shanghai retreated by 3.3%. On the contrary, Hang Seng and BSE Sensex ended the month positively gaining 3.7% and 0.8%, respectively.

In commodity markets, the weaker global growth and manufacturing momentum pressurized the sentiments surrounding the global recovery. Oil prices retreated on demand concerns, iron ore prices dropped to a two-year low on the back of the real estate crisis in China, and the broad Bloomberg Commodity Index remained flat over the month.

	MTD	YTD	P/E
<b>Commodities</b>			
Brent spot	-2.4%	2.3%	-
Gold	2.3%	21.3%	-
<b>Leading Benchmarks</b>			
S&P Global BMI	2.1%	13.7%	22.0x
S&P Developed BMI	2.2%	14.3%	22.8x
S&P Emerging BMI	1.7%	8.5%	16.7x
S&P GCC Comp Index	0.3%	0.0%	15.7x
S&P GCC Shariah Index	1.4%	1.3%	19.9x
MSCI World	2.5%	15.5%	22.7x
MSCI Emerging	1.4%	7.4%	15.3x
MSCI GCC	0.2%	-1.2%	14.6x
<b>Developed Equities</b>			
Dow Jones	1.8%	10.3%	22.5x
S&P 500	2.3%	18.4%	25.7x
Nasdaq	0.6%	18.0%	39.5x
FTSE	0.1%	8.3%	14.8x
DAX	2.2%	12.9%	15.6x
CAC	1.3%	1.2%	14.1x
<b>Emerging Equities</b>			
Nikkei	-1.2%	15.5%	23.5x
Sensex	0.8%	14.0%	25.0x
Shanghai	-3.3%	-4.5%	13.7x
Hang Seng	3.7%	5.5%	9.6x
KOSPI	-3.5%	0.7%	13.8x
<b>GCC Equities &amp; Egypt</b>			
Saudi Arabia	0.3%	1.5%	20.1x
Abu Dhabi	-0.6%	-3.1%	16.8x
Dubai	1.3%	6.5%	8.4x
Oman	1.8%	5.1%	12.2x
Kuwait	-0.8%	5.3%	19.0x
Doha	0.5%	-5.8%	11.3x
Bahrain	-0.6%	-0.7%	7.7x
Egypt	4.7%	23.6%	7.7x

## **GCC**

GCC equity markets remained mixed during August 2024 after markets in the region showed limited recovery from the steep decline at the start of the month. The markets were also affected by the escalation of regional geopolitical issues and gloomy outlook around oil prices despite OPEC+ decision to extend output cuts through November. The S&P GCC Composite Index rose marginally by 0.3% led by Oman at 1.8% and Dubai 1.3% for the month. Qatar and Saudi Arabia managed to close marginally positive rising 0.5% and 0.3%, respectively. In contrast, Kuwait and Abu Dhabi declined slightly during the month by 0.8% and 0.6%, respectively.

Dubai recorded its third consecutive monthly gain in August, driven by 3.9% rise in the Industrial sector followed by 3.8% gain in the communication and 1.8% increase in the financial sector. On the other hand, materials led the decline side down by 3.8%, followed by consumer discretionary which declined 3.75 and real estate down by 1.5%. Qatar recorded only a marginal gain during the month. The Telecoms index topped during the month with a gain of 5.7%, followed by Insurance and Banks & Financial Services indices with gains of 3.8% and 1.6%, respectively. On the negative side, transportation saw the largest decline, down 0.8%, followed by real estate at 0.1%.

Saudi Arabia's Tadawul index remained positive for the third consecutive month. The gainers side were led by the Pharma, Biotech & Life Science index with a double-digit gain of 13.5% followed by Telecommunication Services and Utilities indices with gains of 6.1% and 5.6%, respectively. On the other hand, the Food & Beverages sector witnessed the steepest decline of 4.6% followed by the Banks and Material sector with declines of 2.2% and 1.9%, respectively.

In Kuwait, Insurance index witnessing the biggest decline of 17.4% during the month, followed by Health Care and Utilities indices with declines of 5.7% and 5.0%, respectively. On the gainer's side, the Basic Materials index topped during August with a gain of 8.9%, followed by Consumer Discretionary and Financial Services indices with returns of 4.7% and 2.5%, respectively.

In Abu Dhabi, Healthcare sector witnessed the biggest decline of 8.4% during August, followed by Utilities and Industrials sectors declining 7.3% and 5.1%, respectively. On the positive side, Telecommunications topped the chart with a gain of 10.2%, followed by Basic Materials and Industrials gaining 3.8% and 1%, respectively during the month.

## **Vision Funds**

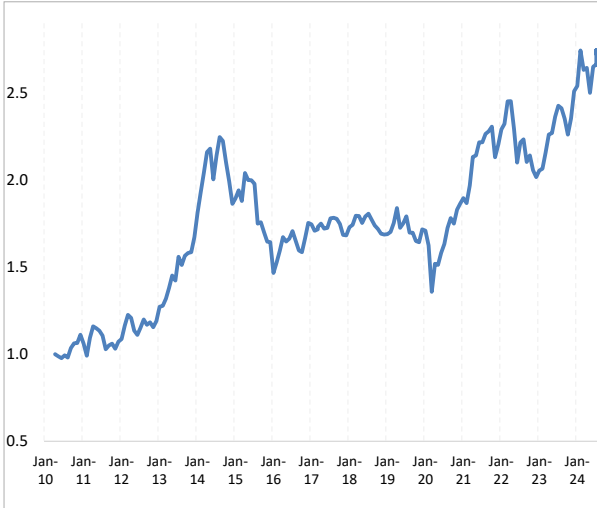
The Vision Real Economy GCC Fund gained 0.15%. The Sharia focused Vision Al Khair GCC Fund gained 0.43% for the month. Vision Focused Fund declined 1.97% for the month with its concentrated portfolio strategy.

## **Outlook**

As focus shifts away from inflation, markets appear to be moving back to a 'bad news means bad for market' framework, where weak economic data implies negative for equities and positive for bonds (implying yields down). This marks a significant change from 'bad news means good for market' where weak labor and consumption data implied lower inflation, where markets use to assume to be positive sign on overall economy on weakened inflation. Concerns with regard to US recession appear exaggerated given the resilience of the labour market and consumption. However, GDP growth is slowing and inflation, which dropped below 3% for the first time since March 2021, is likely to give some comfort for central bank to start monetary easing. Taking into consideration GCC, Oil prices remained subdued as OPEC+ continues extending production cuts through November alongside slightly revising the demand forecast downward which is likely to keep GDP growth from oil component limited. However, the contribution from non-oil activities growth is expected to remain robust for the GCC economies.

NAV (per unit) **RO. 1.442 (USD 3.750)**

**Performance Chart \***



(\* Adjusted for dividends, assuming dividends are reinvested)

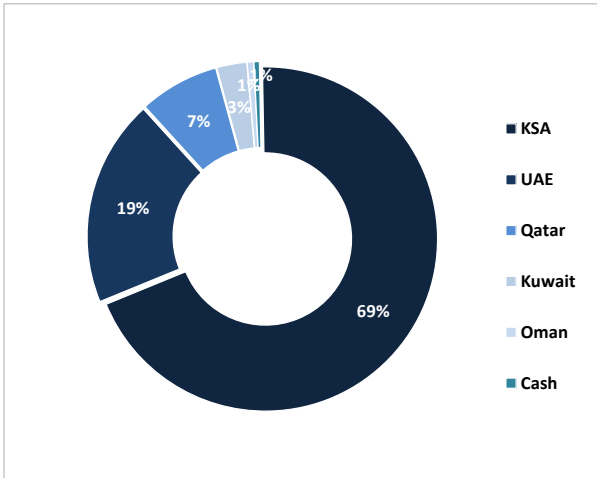
**Fund Objective**

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**

<b>Date of Inception</b>	April 14, 2010
<b>Lipper ID</b>	68053041
<b>Bloomberg ID</b>	VIREGCC OM
<b>Investment Manager</b>	Vision Capital SAOC
<b>Custodian &amp; Administrator</b>	National Bank of Oman
<b>Auditors</b>	Talal Abu Ghazaleh & Co
<b>Fund type</b>	Open Ended
<b>Annualized Standard Deviation</b>	14.8%
<b>High/(Low) Monthly Return</b>	11.9% (Apr 20), -16.4% (Mar 20)
<b>Latest Dividend Paid</b>	50 baiza (Mar 2024)
<b>Total Dividend Paid</b>	830 baiza

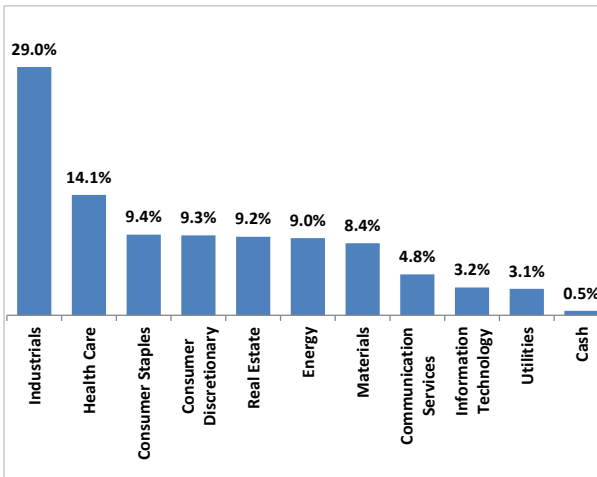
**Country Allocation**



**Top 3 Holdings**

Scrip	Country	Allocation
<b>Emaar Properties</b>	UAE	3.5%
<b>National Medical Care</b>	KSA	2.9%
<b>Leejam Sports</b>	KSA	2.9%

**Sector Allocation**



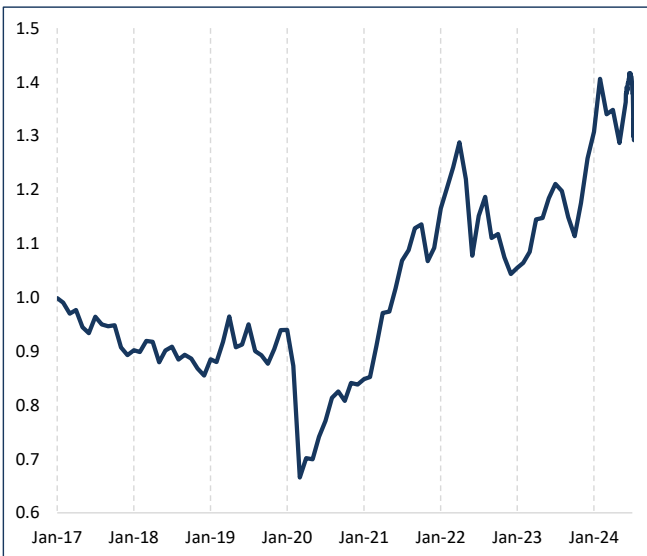
**Fund Performance \***

	Aug-24	YTD	3 Years	Since Inception
	0.1%	8.8%	20.5%	173.0%

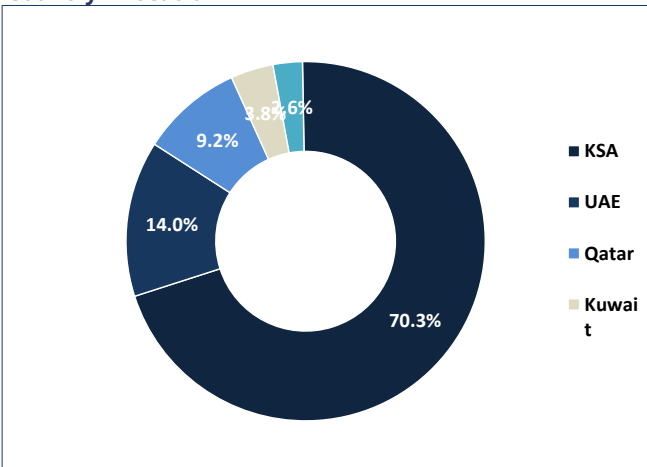
(\* Adjusted for dividends, assuming dividends are reinvested). Sector allocation based on GICS Methodology.

NAV (per unit) **RO 1.249 (USD 3.248)**

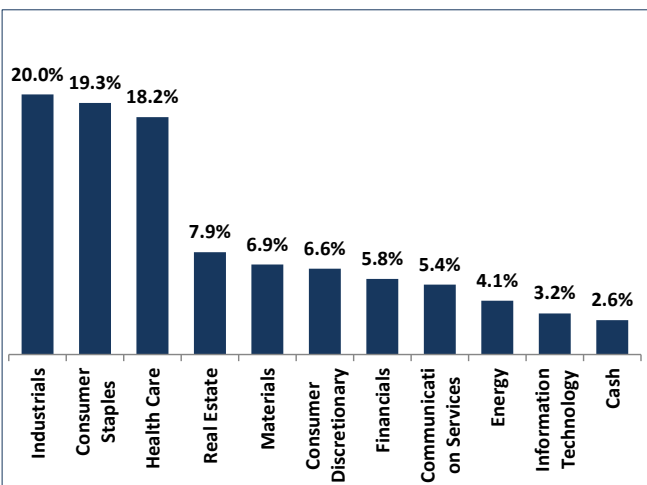
**Performance Chart**



**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**

<b>Date of Inception</b>	January 12, 2017
<b>Lipper ID</b>	68404006
<b>Bloomberg ID</b>	VISFGCC OM
<b>Investment Manager</b>	Vision Capital SAOC
<b>Custodian &amp; Administrator</b>	National Bank of Oman
<b>Auditors</b>	Talal Abu Ghazaleh & Co
<b>Fund type</b>	Open Ended
<b>Annualized Standard Deviation</b>	15.6%
<b>High/(Low) Monthly Return</b>	7.5% (Feb 24), -23.7% (Mar 20)
<b>Latest Dividend Paid</b>	50 baiza (Mar 2024)
<b>Total Dividend Paid</b>	110 baiza

**Top 3 Holdings**

Scrip	Country	Allocation
Middle East Healthcare	KSA	9.7%
East Pipes Integrated Co For	KSA	6.9%
Tanmiah Food	KSA	6.8%

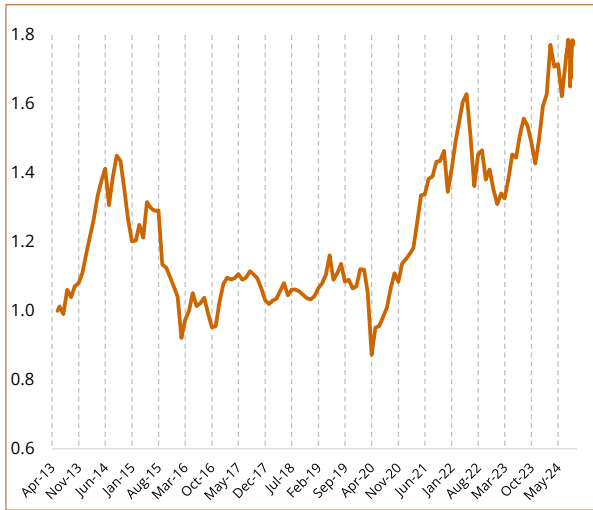
**Fund Performance**

Aug-24	YTD	3 Years	Since Incep.
-2.0%	8.6%	25.6%	36.6%

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

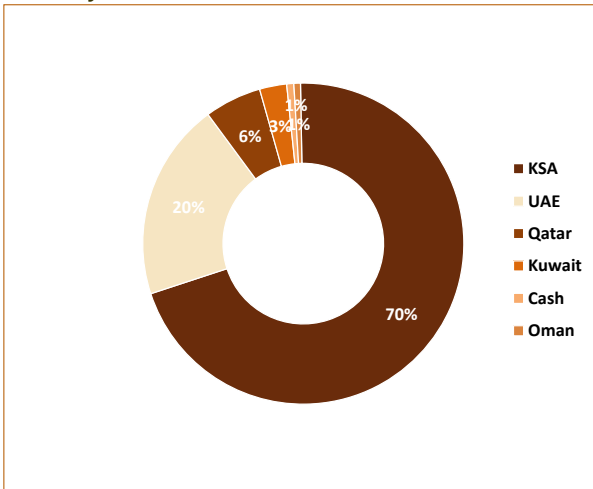
NAV (per unit) **RO 1.357 (USD 3.528)**

**Performance Chart\***

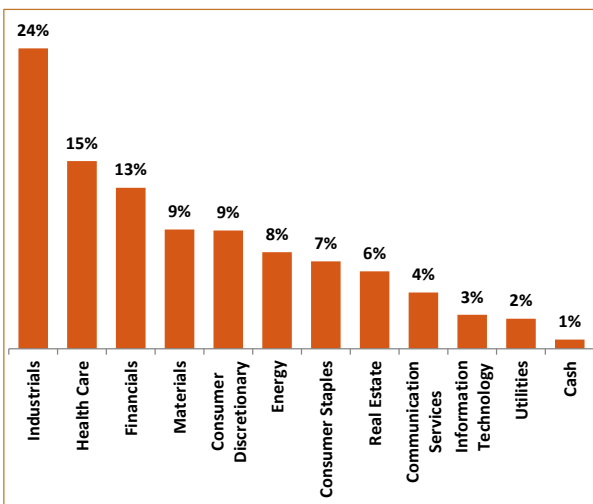


(\* Adjusted for dividends, assuming dividends are reinvested)

**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**

<b>Date of Inception</b>	May 15, 2013
<b>Lipper ID</b>	68212188
<b>Bloomberg ID</b>	VISAKGC OM
<b>Investment Manager</b>	Vision Capital SAOC
<b>Custodian &amp; Administrator</b>	National Bank of Oman
<b>Auditors</b>	Talal Abu Ghazaleh & Co
<b>Shariah Advisor under AAOIFI</b>	Shariyah Review Bureau W.L.L.
<b>Fund type</b>	Open Ended
<b>Ann. Standard Deviation</b>	14.7%
<b>High / (Low) Monthly Return</b>	9.0% (Apr 20), -17.1% (Mar 20)
<b>Latest Dividend Paid</b>	60 Baiza (Mar 2024)
<b>Total Dividend &amp; Bonus Paid</b>	260 baiza (Dividend), 5% (Bonus)

**Top 3 Holdings**

Scrip	Country	Allocation
<b>Alinma Bank</b>	KSA	4.4%
<b>National Medical Care</b>	KSA	3.6%
<b>Emaar Properties</b>	UAE	3.3%

**Fund Performance\***

Aug-24	YTD	3 Years	Since Inception
0.4%	11.4%	23.9%	77.5%

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