

Monthly Factsheets

December 2024

Equity Funds

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Market Update

Global Markets

2024 was another strong year for the US economy. In December, the Fed raised its full-year economic growth estimate to 2.5% from 2%. The US economy demonstrated strong resilience despite elevated inflation. While inflation has made meaningful progress toward the Fed's long-term 2% target, it remains above this threshold. Given recent data points, the Fed indicated it will likely continue interest rate cuts in 2025, though possibly not at the previously anticipated pace. Consequently, longer-term interest rates rose during the last three months of 2024, even as multiple central banks cut short-term monetary policy rates. Higher rates dimmed the growth outlook, which led to weakening of markets in December. The Nasdaq emerged as the top-performing equity market, with returns of 28.6%. The S&P 500 gained 23.3%, and the Dow Jones surged 12.9% for 2024.

Conversely, European economic momentum weakened significantly over the year. The manufacturing sector was particularly hard-hit due to high energy costs, deteriorating regulations, lack of export demand, and government-subsidized competition from China. European markets ended the year mixed, with the DAX up 18.8%, the FTSE 100 gaining 5.7%, and the CAC declining by 2.2% in 2024.

In emerging markets, Chinese activity remained weak as the country grappled with falling property prices and weak consumer confidence. Investors were initially unimpressed by policy responses. However, more cohesive policy announcements in September suggested significant stimulus in 2025, leading to a rally in equities during the second half of the year. The Shanghai index posted a 12.7% gain, while the Hang Seng rose 17.7% in 2024. Optimism surrounding the end of deflation, coupled with a weak yen and ongoing corporate reforms, boosted Japanese equities, which delivered returns of 19.2%, making Japan the second-best-performing major equity market.

In the commodities market, 2024 was marked by volatility, with the Dow Jones Commodity Index ending the year positively at 6.7%. Precious metals stood out, achieving record highs, while base metals remained volatile due to increased demand for AI-related applications being offset by declining global manufacturing activity. The energy sector had mixed results, with natural gas surging 44.5% due to robust demand, while Brent oil declined 3.1%, reflecting China's poor economic performance.

| | MTD | YTD | P/E |
|---------------------------------|-------|-------|-------|
| Commodities | | | |
| Brent spot | 2.3% | -3.1% | - |
| Gold | -0.7% | 27.2% | - |
| Leading Benchmarks | | | |
| S&P Global BMI | -2.8% | 14.5% | 21.1x |
| S&P Developed BMI | -3.1% | 15.2% | 22.0x |
| S&P Emerging BMI | 0.1% | 8.9% | 15.4x |
| S&P GCC Comp Index | 3.3% | 2.0% | 16.1x |
| S&P GCC Shariah Index | 3.2% | 3.3% | 20.3x |
| MSCI World | -2.7% | 17.0% | 22.0x |
| MSCI Emerging | -0.3% | 5.1% | 13.7x |
| MSCI GCC | 3.7% | 0.7% | 14.6x |
| Developed Equities | | | |
| Dow Jones | -5.3% | 12.9% | 23.2x |
| S&P 500 | -2.5% | 23.3% | 26.5x |
| Nasdaq | 0.5% | 28.6% | 40.6x |
| FTSE | -1.4% | 5.7% | 13.0x |
| DAX | 1.4% | 18.8% | 16.6x |
| CAC | 2.0% | -2.2% | 14.1x |
| Emerging Equities | | | |
| Nikkei | 4.4% | 19.2% | 19.3x |
| Sensex | -2.1% | 8.2% | 22.7x |
| Shanghai | 0.8% | 12.7% | 16.2x |
| Hang Seng | 3.3% | 17.7% | 10.0x |
| KOSPI | -2.3% | -9.6% | 11.4x |
| GCC Equities & Egypt | | | |
| Saudi Arabia | 3.4% | 0.6% | 19.4x |
| Abu Dhabi | 2.0% | -1.7% | 16.8x |
| Dubai | 6.4% | 27.1% | 9.9x |
| Oman | 0.3% | 1.4% | 11.4x |
| Kuwait | 1.6% | 8.0% | 18.9x |
| Doha | 1.5% | -2.4% | 11.5x |
| Bahrain | -2.3% | 0.7% | 16.1x |
| Egypt | -1.7% | 19.5% | 6.1x |

GCC

The GCC equity markets underperformed global markets in 2024 due to regional uncertainties, sticky inflation in developed economies, and delayed interest rate cuts. Several external factors weighed on GCC markets, including heightened geopolitical tensions in the Middle East, subdued oil prices leading to extended OPEC supply cuts, sluggish Eurozone growth, and China's deteriorated macroeconomic conditions despite stimulus efforts. The S&P GCC Composite Index rose by 2% for the year. Dubai was the region's best-performing market, with a strong double-digit gain of 27.1%, followed by Kuwait and Oman, which posted gains of 8.0% and 1.4%, respectively. Saudi Arabia and Bahrain saw marginal gains of 0.6% and 0.7%, respectively, while Qatar and Abu Dhabi benchmarks declined by 2.4% and 1.7%, respectively.

Dubai was the top-performing GCC market for the second consecutive year. Sector-wise, Real estate led with gains of 63.1%, followed by Materials up by 45.0% and Communication Services up by 44.3%. Consumer Staples, however, registered a negative return of 7.2%.

Saudi Arabia recorded a marginal gain of 0.6%. Capital goods led with a stellar 52.8% return, followed by Utilities up 38.6% and Media up by 30.1%. On the downside, the Energy sector was the biggest laggard with a negative return of 14.8%, followed by Consumer Staples down by 13.5%, REITs down by 13.5%, and Materials down by 12.3%.

Kuwait was the second-best-performing market, registering an 8% gain. Technology led with a return of 79.9%, followed by Consumer staples up 51.6% and Consumer discretionary up by 32.4%.

Abu Dhabi posted a second consecutive annual decline in 2024. The Healthcare sector fell 35.6%, followed by Consumer discretionary down 34.0% and Telecommunications down by 18.2%. On the positive side, the Real estate index gained 35.5%, followed by Consumer staples up 29.7% and Energy up by 9.5%.

In Qatar, the Transportation sector led with a 20.5% gain, followed by Real estate up 7.7% and Telecom up by 5.5%. Conversely, Insurance was the only sector to record a negative return, declining by 10.8%.

Vision Funds

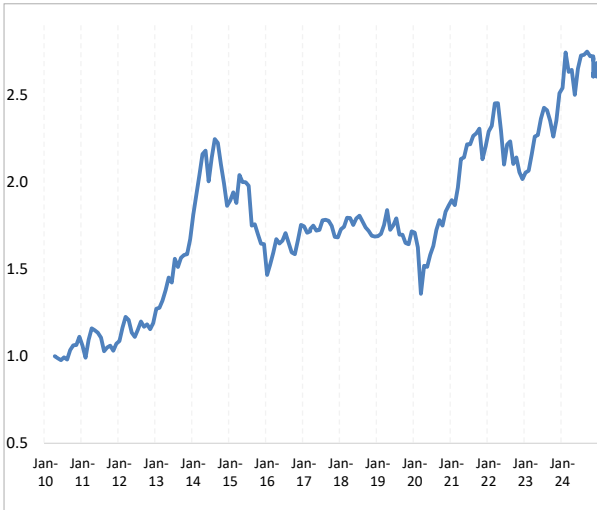
The Vision Real Economy GCC Fund rose 6.3%. The Sharia focused Vision Al Khair GCC Fund gained 8.0% in 2024. Vision Focused Fund increased 6.7% for the year with its concentrated portfolio strategy.

Outlook

For GCC countries, the outlook remains largely positive, driven by surpluses from past elevated oil prices and increased government spending on mega-projects. Global oil demand is forecast to grow by 1.4 million barrels per day in 2025, with steady growth in China, sustained economic activity in India, and other non-OECD consuming countries as key drivers. GCC regional PMIs remain in expansionary territory, supporting optimism for non-energy sectors. An improving macroeconomic environment, a rebound in oil activity, and increased capital spending are expected to act as major tailwinds for GCC equity markets in 2025.

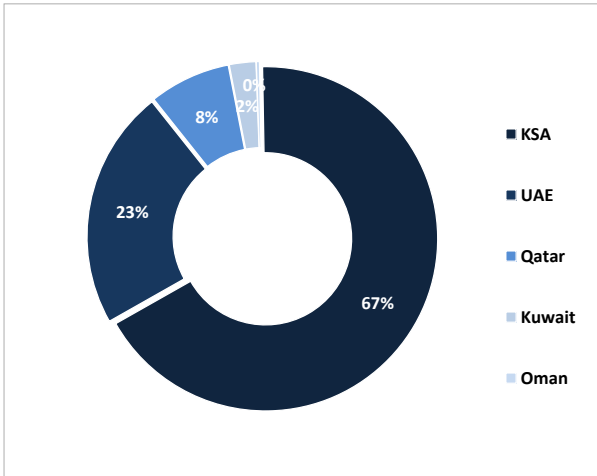
NAV (per unit) **RO. 1.409 (USD 3.665)**

Performance Chart *

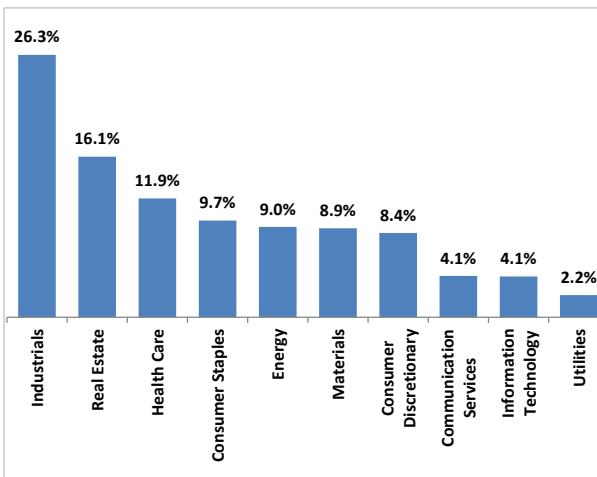


(* Adjusted for dividends, assuming dividends are reinvested)

Country Allocation



Sector Allocation



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 | Gulf Custody Company |
| 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 |

Top 3 Holdings

| Scrip | Country | Allocation |
|------------------------------|---------|------------|
| Emaar Properties | UAE | 5.4% |
| National Medical Care | KSA | 2.6% |
| Leejam Sports | KSA | 2.6% |

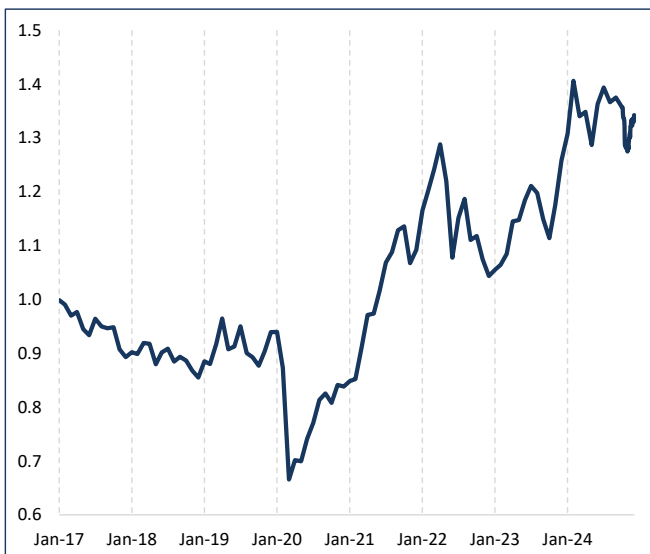
Fund Performance *

| Dec-24 | YTD | 3 Years | Since Inception |
|--------|------|---------|-----------------|
| 2.3% | 6.3% | 21.2% | 166.9% |

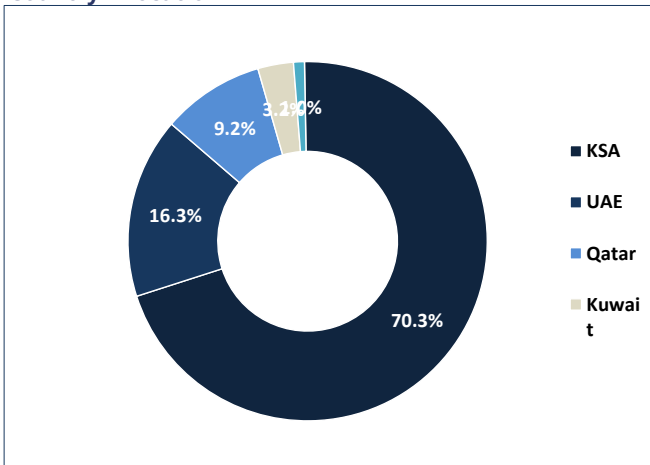
(* Adjusted for dividends, assuming dividends are reinvested). Sector allocation based on GICS Methodology.

NAV (per unit) **RO 1.226 (USD 3.190)**

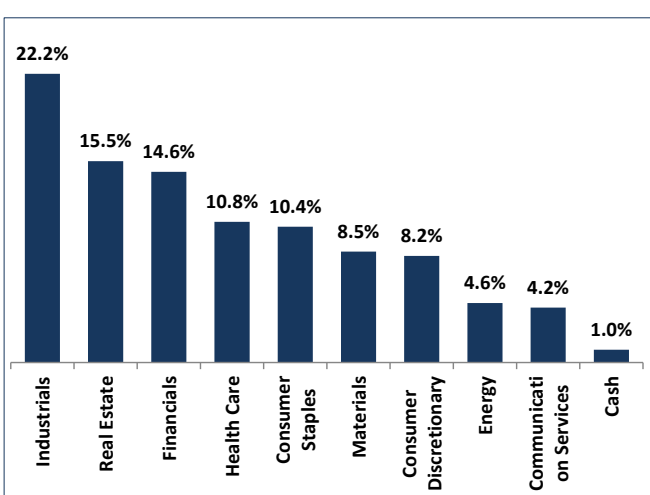
Performance Chart



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 | Gulf Custody Company |
| Auditors | Talal Abu Ghazaleh & Co |
| Fund type | Open Ended |
| Annualized Standard Deviation | 15.5% |
| 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 |
|------------------------------|---------|------------|
| East Pipes Integrated Co For | KSA | 7.7% |
| Saudi British Bank | KSA | 7.7% |
| Leejam Sports | KSA | 6.5% |

Fund Performance

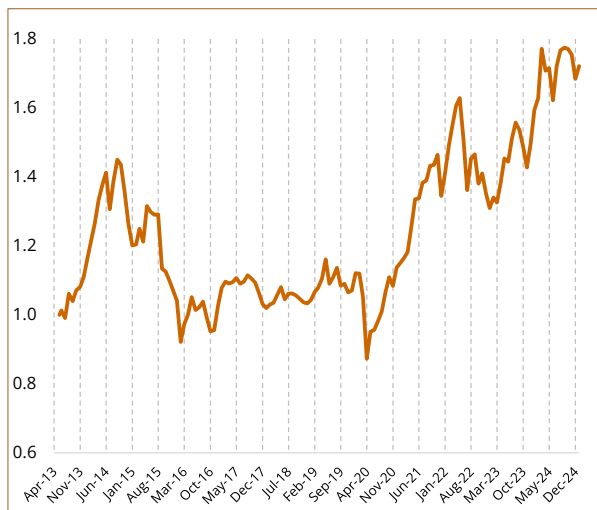
| Dec-24 | YTD | 3 Years | Since Incep. |
|--------|------|---------|--------------|
| 5.0% | 6.7% | 22.9% | 34.2% |

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

NAV (per unit)

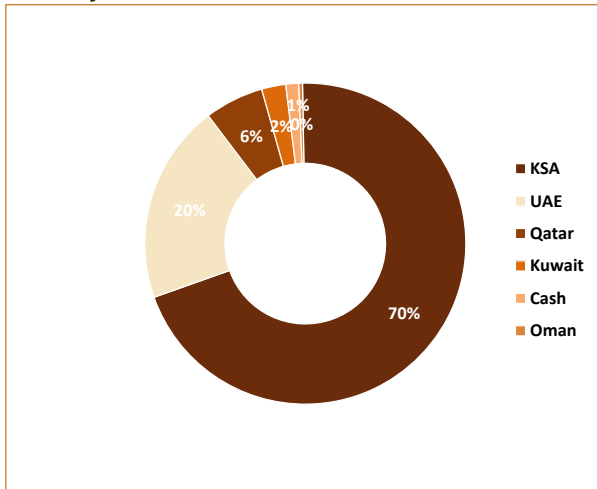
RO 1.316 (USD 3.422)

Performance Chart*

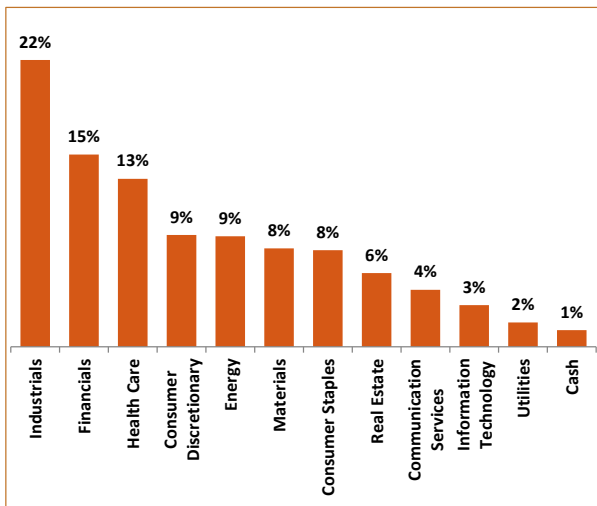


(* Adjusted for dividends, assuming dividends are reinvested)

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 | Gulf Custody Company |
| Auditors | Talal Abu Ghazaleh & Co |
| Shariah Advisor under AAOIFI | Shariyah Review Bureau W.L.L. |
| Fund type | Open Ended |
| Ann. Standard Deviation | 14.6% |
| 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 | 4.3% |
| National Medical Care | KSA | 3.2% |
| Adnoc Logistics & Services | UAE | 3.1% |

Fund Performance*

| Dec-24 | YTD | 3 Years | Since Inception |
|--------|------|---------|-----------------|
| 2.2% | 8.0% | 22.1% | 72.2% |

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