

SHUAA Asset Management Factsheet

November 2015

SHUAA Asset Management Ltd., regulated by the DFSA, offers fund management, discretionary portfolio management, institutional mandates and third party fund management services. It serves the financial needs of institutional, corporate and government clients as well as high net worth individuals worldwide. The Firm has the longest investment track record in the Middle East, dating back to 1999.

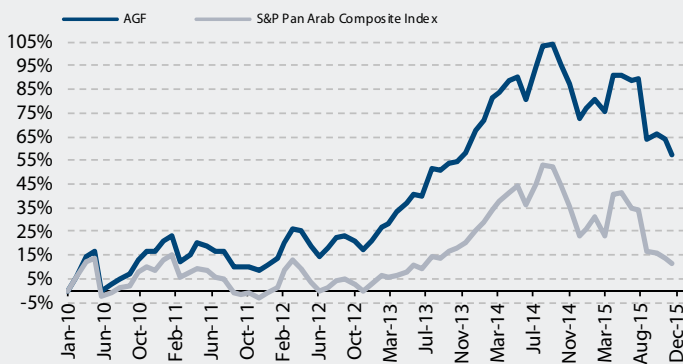
SHUAA Asset Management Ltd.

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Fund Performance (NAV as of 24 November 2015)

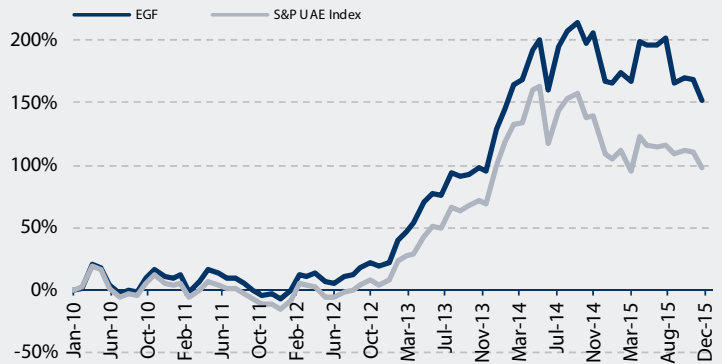
FUND	INCEPTION	NAV/Share	AVG Annual Return	Absolute Return	YTD Return	BENCHMARK Return	OUTPERFORMANCE
Arab Gateway Fund	17 Dec 1999	USD 30.00	8.8%	250.9%	-8.8%	-15.4%	6.6%
Emirates Gateway Fund	17 Apr 2002	AED 13.114	12.9%	424.6%	-5.4%	-16.9%	11.5%
MENA Conventional Equity	19 Sep 2011	-	14.7%	82.8%	-6.7%	-15.8%	9.1%
MENA Shariah Equity	19 Aug 2004	-	13.75%	221.7%	-3.0%	-14.5%	11.5%

Arab Gateway Fund - Top Performing MENA Fund Since January 2010*



* Since the Appointment Of The Current Asset Management Team

Emirates Gateway Fund - Top Performing UAE Fund Since January 2010*



* Since the Appointment Of The Current Asset Management Team

Market Commentary

Employment and job figures from the US continued to improve with the released Fed minutes showing increased confidence in the strength of the economy. We believe it is very probable that 2015 will see the first hike in interest rates since 2006 with the economy in a strong state to withstand such an increase. Moreover, as communicated by many Fed officials, the pace of the rate increase will be slow and gradual in 2016 and shouldn't be a shock to growth levels. As for Europe, the divergence between its fiscal policy and that of the US continued to widen with the ECB enacting additional stimulus measures that came short of markets' expectations. All of this will support a strong Dollar and put further pressure on emerging countries' currencies. Oil prices continued their decline driven by a strong Dollar and the recent OPEC meeting confirming that the production ceiling is somehow meaningless. Finally, the political situation keeps on getting more complicated with more countries taking part in fighting terrorism in the Middle East.

The Egyptian market was hit hard this month driven by a surprise rise in EGP interest rates, the arrest of a prominent businessman and questions about the tourism sector. The terrorist attack downing the Russian plane uncovered the fragility of the security situation and added to the woes of the EGP with hopes of a recovery in the tourism sector diminishing. Nevertheless, as we go to print, the market is recovering driven by the new measures taken by the Central Bank of Egypt (CBE) to alleviate the

shortage of USD. Indeed, in a very positive move, the CBE cleared the backlog of portfolio investors of USD550mln and ordered banks to clear most goods locked at ports while covering 25% of temporary importers FX loans. We see these steps to be very encouraging speeding the process towards depreciating the EGP. In the UAE and Qatar, the theme this month was all about MSCI rebalancing but the market drifted lower with Q3 results behind us and no catalyst on the horizon. Saudi was stable with all eyes focused on the budget expected towards the end of December. We do not expect major cuts in the budget this year and believe government spending on essential sectors such as education and health care will continue.

We believe the announcement of the Saudi budget will be an important catalyst for the market and will alleviate many concerns on the levels of spending in 2016. We continue to see valuations to be very attractive in the UAE with increased opportunities in Saudi. Moreover, we believe valuations in Egypt are approaching trough levels and should start improving with the new measures applied by the Central Bank.