AHLI INTERNATIONAL MULTI-ASSET HOLDING FUND

FACT SHEET - MAY 2021

الصندوق الأهلي الدولي متعدد الأصول القابض
Ahli International Multi-Asset Holding Fund

Fund Objective

Aims to provide long-term capital appreciation and diversify risk globally with investments spread across asset classes and licensed funds.

Executive Summary

Fund type	Open-ended
Asset Class	Multi-Asset
Investment Universe	International
Launch Date	December 2018
Risk Categorization	Moderate
Currency	KWD
Minimum Subscription	KWD 500
Subscription / Redemption	Monthly
Subscription Fee	1.00%
Management Fee	1.35%
Fund Manager	Ahli Capital Investment Company K.S.C.C.
Investment Manager	BlackRock Asset Management Limited
Custodian	Gulf Custody Company
Auditor	Deloitte & Touché

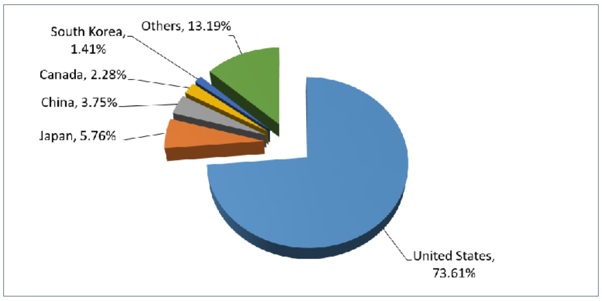
Current Performance Summary

NAV	MAY'21	YTD'21	Since Inception
11.364864	0.81%	4.69%	21.60%

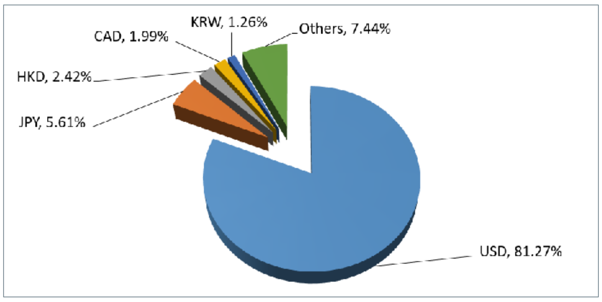
Top 5 Funds

Classification	Weight	NAME
Equity	18.50%	ISHARES CORE S&P 500 UCITS ETF USD
Equity	12.84%	ISHARES MSCI USA ESG ENHANCED UCIT
Fixed Income	7.37%	ISHARES $ HIGH YIELD CRP BND ETF $
Equity	6.01%	ISH MSCI ACWI ETF $ ACC
Equity	5.22%	ISH CORE MSCI JPN IMI ETF $ ACC

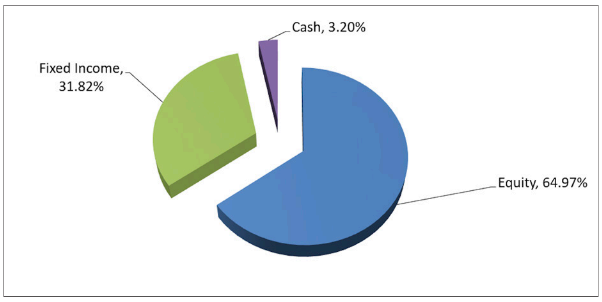
Geographical Allocation



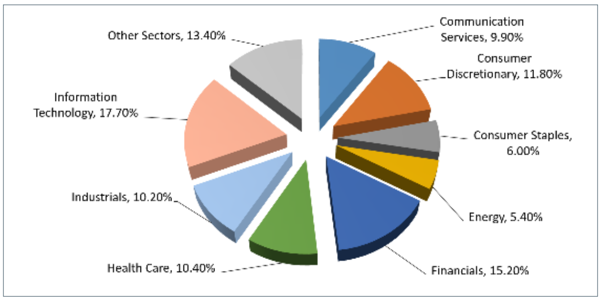
Currency Allocation



Asset Allocation



Sector Allocation



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Market Commentary:

The month saw strong economic data releases, but market moves remained muted with investors concerned about inflation and withdrawal of policy support, especially in the US. The on-going vaccine rollout has allowed many economies to gradually reopen, and in combination with sizeable fiscal support, is enabling a big bounce in economic activity. Against this background, developed markets ended the month up 1.5%. Emerging Markets ended the month up 2.3% amidst signs of global economic recovery and transition out of the pandemic. US dollar weakness was beneficial for the asset class, which outperformed its developed counterpart in May (in USD terms, as shown above). The greenback ended the month down 1.4% as investors began rotating out of safe havens such as the USD amidst the improving outlook for global growth. Moreover, the uptick in inflation is denting the dollar's appeal, while the Fed has not yet been explicit about the timing of tapering bond purchases. As the UK continued to relax mobility restrictions, sterling ended the month up 2.7% against the USD and 1.1% against the EUR. Additionally, a BoE voting member commented regarding a rate rise possibly being appropriate soon after the first quarter of 2022, providing further support to the currency. Within fixed income markets, US treasuries ended the month up 0.3% while UK gilts ended the month up 0.5%.

The annual inflation rate in the US soared to 4.2% in April from 2.6% in March, and was the highest reading since September 2008. The increase came amidst a surge in demand as the economy reopens, rising commodity prices and supply constraints. Minutes from the Fed's April meeting showed that the central bank was broadly unmoved in its view on the economic outlook, calming fears of a sudden stop to the stimulus. On the economic front, the composite PMI for May climbed to an all time high of 68.1 as both manufacturing and service sectors expanded at record rates. The labour market was another bright spot as the unemployment rate for May dropped to 5.8%, as the job market consolidated its recovery. On the other side of the Atlantic, the prospects for a strong growth rebound this year have risen for the Euro area as the rate of vaccination has accelerated. While manufacturing has been recovering since last year, service PMI expanded strongly in May amidst the pickup in inoculation and relaxation in restrictions. Despite the improving economic outlook, ECB policymakers signaled that it is too soon to withdraw stimulus measures. However, the Bank of England announced plans to slow its quantitative easing programme. Amidst a build-up of household savings and fiscal stimulus, retail sales in the UK jumped 9% month-on month.

May was a quiet month for sovereigns. 10-year government bonds for major developed regions remained range-bound. Although yields in the Euro area were declining amidst the vaccine rollout and the economic recovery gaining traction, the dovish comments from the ECB reversed the gains. Benchmark 10-year yields fell by 4bps to 1.59% in the US, 5bps to 0.80% in the UK, 1bp to 0.08% in Japan, but climbed 2bps to -0.18% in Germany and 5bps to 0.92% in Italy. The return to normal patterns of consumption by several countries led oil to finish the month higher as demand increased. The commodity (Brent) ended the month 3.5% higher at $70/ barrel. Gold ended the month higher 7.7% at $1906/ounce. The strong performance was underpinned by the weakening USD and growing inflationary pressure. The yellow metal which is widely perceived as a hedge of inflation saw its lustre increase amidst rising inflation.

Disclaimer:

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