

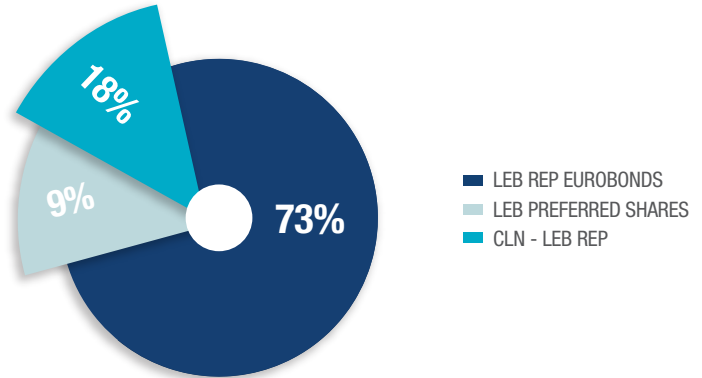
# FACT SHEET MAY 2019

# BLC BANK - INCOME FUND I

## INVESTMENT AND STRATEGY

The objective of the fund is to achieve steady income and capital appreciation by way of investing in Lebanese and GCC fixed income instruments denominated in U.S. dollars, including: Eurobonds, Corporate bonds, Credit Linked Notes (Rating "A"), Alpha group Preferred Shares, Certificates of Deposits and others. So far the fund has been achieving target return and stable growth, with a major allocation to the local fixed income market which provided competitive yields in comparison to the GCC countries that have yet to present adequate opportunities that would generate additional return for the fund.

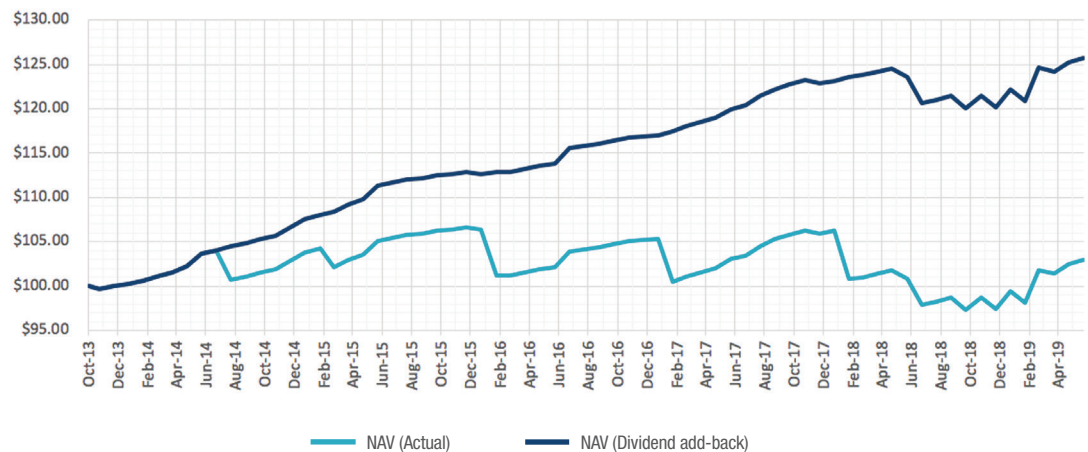
## ASSET ALLOCATION



## PERFORMANCE

QUARTER	DATE	NAV/SHARE (ACTUAL)	NAV/SHARE (DIVIDEND ADD-BACK)	DATE	NAV/SHARE (ACTUAL)	NAV/SHARE (DIVIDEND ADD-BACK)
Q1	2016	\$101.56	\$113.23	2018	\$101.44	\$124.21
Q2		\$103.94	\$115.61		\$97.87	\$120.64
Q3		\$104.69	\$116.36		\$97.33	\$120.10
Q4		\$105.38	\$117.05		\$99.46	\$122.23
Q1	2017	\$101.55	\$118.47	2019	\$101.39	\$124.16
Q2		\$103.45	\$120.37			
Q3		\$105.80	\$122.72			
Q4		\$106.25	\$123.17			

Cumulative Performance Since Inception **25.7 %**



## MARKET OVERVIEW

In May, Lebanese Government Eurobonds' prices dropped by a significant USD 3 to 4 from the medium to long end of the curve. This was caused by tensions around the austerity budget and accompanied by minor protest from the central bank employees on budget cuts. Interest payment tax has also been approved to be raised from 7 to 10% for 3 years. Fitch and S&P estimates Lebanon's fiscal deficit around 9 and 10%. CDS levels for 5 and 10 years increased by around 80 and 50 bps to 870 and 830 ask-spread levels respectively. In the GCC, 5 year CDS levels had no major changes. Moody's affirmed Kuwait's rating and stable outlook stating very high fiscal strength preserved even with oil price volatility. Bahrain received around \$4.5 bln in aid from allies and expect YoY budget deficit to fall to 4.7% of GDP.

*Disclaimer: The information on this sheet is merely informative and does not represent any offer or solicitation. The information presented is not to be taken as fact and the past performance shown is not necessarily indicative of future results; it is the property of BLC Bank SAL and is subject to amendment. The Bank is not liable for any loss resulting from the use of this information.*

**Issue Date**  
October 7, 2013

**Currency**  
USD

**Type**  
Open-Ended

**Maturity**  
September 30, 2019

**Subscription/ Redemption**  
Monthly

**Expected Annual Return**  
5.00%

**NAV (As at MAY 31, 2019)**  
\$102.93

**Management Fees**  
1.00%

**Subscription Fee**  
0.50%

**Exit Fees (Only First 6 Months)**  
1.5%

**Dividend Payment**  
Annually

**Manager**  
BLC Bank SAL

**Registrar**  
BLC Bank SAL

**Administrator And Custodian**  
Midclear SAL

**Auditors**  
Deloitte & Touche



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