

Manager's comments

Global markets experienced strong overall performance in January 2025; however, volatility emerged in its final trading days, driven by the tech sector closing in the negative amid growing concern over the growth trajectory of artificial intelligence stocks and the new US government imposing trade tariffs on its key trading partners. In monetary policy developments, the Federal Reserve broke its rate-cutting cycle, which had been in place since September, and moved to a wait and watch mode amidst strong labor market conditions. Global financial markets remain influenced by monetary policy expectations, with many central banks adjusting their stance, such as the European central bank, shifting towards easing, as seen with its 25bps rate cut in January. Conversely, the Bank of Japan raised its rate by 25 bps to 0.50%, marking its highest level in 17 years.

The MSCIs Global and Developed indices increased by 3.29% and 3.47% respectively while the Emerging Market index increased by 1.66% during the month. Among Developed Markets (DM), the S&P 500 Index (USA) increased by 2.7% and the Nasdaq Composite (USA) increased by 2.22%. The Euro Stoxx 50 Index (Eurozone), UK and Japan increased by 8.72%, 5.58%, and 0.73% respectively. Among Emerging Markets (EM), the Korean and Taiwanese markets increased by 6.50% and 2.18% respectively, while the Indian and the Chinese markets fell by (-) 1.67% and by (-)2.29% respectively (USD returns considered for all indices).

In the bond markets, the US 10-year saw yields remaining the same to 4.54% from 4.57% in the previous month. The new US government's policies are generally anticipated to be inflationary by economists and market participants, and this led to the spike in yields after Presidential election results. The Global Aggregate Bond Index ended the month up by 0.57%.

Our Funds performance lagged the broader market during January 2025, primarily due to the underperformance of the Funds' larger weight positions. During the month, we generally maintained similar positions as at the beginning of the month with some minor adjustments. Additionally, we continue to assess our stance in the emerging market space as well, in case suitable opportunities emerge going forward. The corporate earnings season so far has been in-line with our general expectations, and while we do not currently foresee a major change in our allocations, the ongoing increase in market volatility may give us some opportunity to increase/reduce our allocation tactically to benefit from market dislocations. Furthermore, we reiterate our cautious optimism about the growth potential of our fund's holdings. This cautious stance is driven by broader systemic and macroeconomic risks, while our optimism stems from the strong earnings potential of the securities within the fund. Our ongoing strategy focuses on preserving fund quality by refining our research and investment strategy. We remain committed to achieving returns above the hurdle rate, thereby maximizing value for our Fund.

Top holdings

Name	Country	Portfolio weight
Apple Inc	USA	5.09%
Alphabet Inc	USA	5.07%
Procter & Gamble Co	USA	4.98%

Fund returns

Ratios	Fund
Month to date	1.93%
Year to date*	1.93%
Since Inception*	3.75%

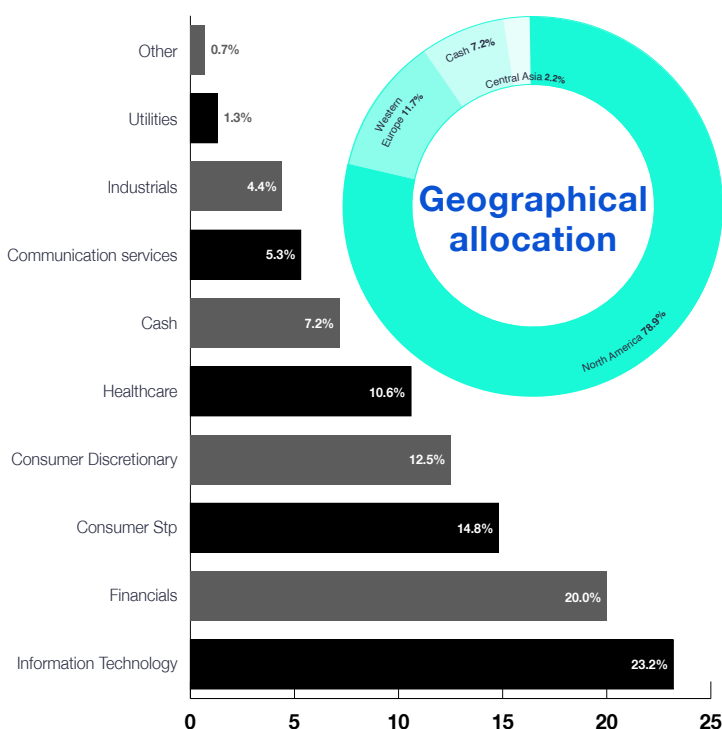
*Fund inception date is 27th August 2024

Key features

Domiciled in	Sultanate of Oman
Denomination	Rial Omani
Fund Structure	Open-Ended (Daily NAV)
Objective	Global Equity Growth
Regulated by	Financial Services Authority, Oman
Managed by	National Bank of Oman SAOG
Administrated by	Standard Chartered Bank, Oman
Audited by	Moore Stephens LLC, Oman
Legal Advisor	Trowers & Hamlins
Investment Advisor	Principal Global Investors, LLC
Management Fee	1.05% p.a.
Performance Fee	10% of return above hurdle rate of 10%
Advisor Fee	0.40% p.a.
Fund Size	OMR 3,701,991

*Please refer to the Prospectus for detailed terms & Fund features.

Sector allocation



A FUND ADMINISTERED AND MANAGED BY



To subscribe, email us at Funds@nbo.co.om

The Fund's registered address is:
P.O.Box 751, Ruwi, P.C.112, Sultanate of Oman

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