

# ▶ HSBC Saudi Arabia Limited

## HSBC Saudi Petrochemical Equity Opportunities Fund – POF

### Monthly Factsheet

as of 31 July 2010

#### Profile

The funds aims to achieve, over the medium to long term, capital growth by investing in Saudi petrochemical companies listed on the Saudi Equity Market. The Fund's assets will be concentrated in petrochemical companies without a reference to specific benchmark or weightings of petrochemical companies in Saudi Equity Market.

#### Top Holdings

Stock	Weight %	Sector
Saudi Basic Industries	62.20	Petrochemical Industries
Yanbu National Petrochemical Co.	7.46	Petrochemical Industries
KAYAN	6.12	Petrochemical Industries
Saudi Arabia Fertilizers Co.	5.42	Petrochemical Industries
Petro Rabigh	5.38	Petrochemical Industries

#### Fund Composition

Sector	Funds Weight in Sector (%)
Petrochemical Industries	98.61
Cash	1.39

#### Contact Details

##### HSBC Saudi Arabia Limited

##### Local Investors

Toll Free Number 800 124 1212

##### International Investors

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Website [www.hsbcSaudi.com](http://www.hsbcSaudi.com)

#### Fund Details

**Fund Manager** HSBC Saudi Arabia Ltd.

**Risk/return profile** High

**Inception date** Dec 11, 2007

**Inception unit price** SAR 10

**Total number of holdings** 13

**Bloomberg code** SBPETOP

**Minimum initial investment** SAR 5,000

**Minimum additional investment** SAR 2,500

**Cut off Time** At 1:30 PM KSA time on any business day

**Valuation Day** Daily except Thursday & Friday

**Redeemed funds payment** 2 business days following the the applicable valuation day

**Annual Management fee** 1.50%

**Subscription fee (Upfront)** Up to 3%

*This document is not intended for marketing of the fund. Investors are urged prior to making an investment decision, to refer to the terms & conditions and the appendix of the fund, and consult with their legal/ investment advisor for independent opinion as to the implication of their acquiring, holding or disposing of the units of the fund.*

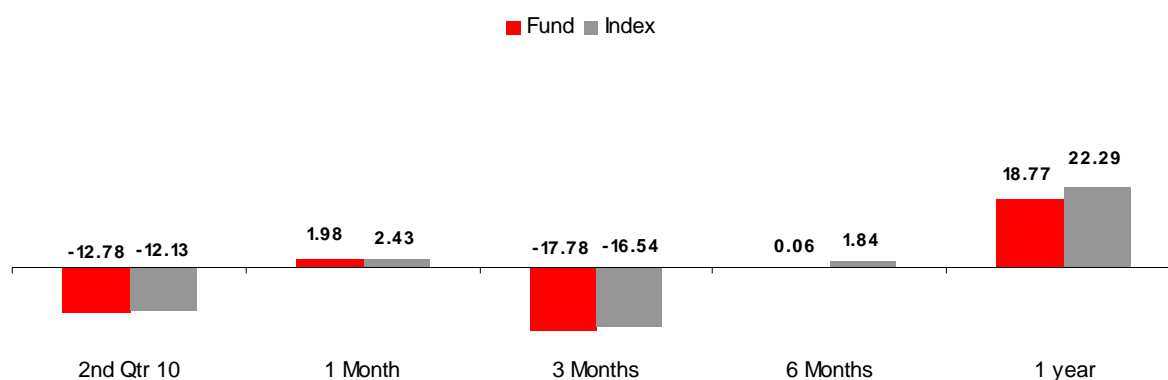
## Fund Benchmark

The HSBC Saudi Petrochemical Equity Index is based at 1000, as at 29 December 2004. It is calculated as the arithmetic weighted average of the constituent securities. The weights correspond to the Saudi Riyal market capitalisations of the constituent securities and are adjusted for the effect of capitalisation issues and corporate actions. In short, the method of calculation is the same as that of other well known indices (eg, the MSCI, FTSE indices).

The Petrochemical Index is monitored daily to ensure that it remains technically sound at all times, with corporate actions such as rights processed as and when they occur. Changes are made to the Petrochemical Index in response to changes in Saudi equity market, so IPOs will be included immediately for example, Historical Performance.

## Performance

	2009 % Chg	Year to Date % Chg	2 Years % Chg	3 Years % Chg	Since Inception % Chg
HSBC Saudi Petrochemical Equity Opportunities Fund - POF	69.44	2.13	-36.30	NA	-41.92
HSBC Saudi Petrochemical Equity Index	73.32	4.19	-31.93	NA	-37.71



Please note that the above figures refer to past performance and that past performance is not a reliable indicator of future results. The investment performance of the fund is calculated on a total return basis (i.e. with the cash dividend reinvested), while the investment performance of the benchmark is calculated on a price return basis (i.e. does not include the cash dividend paid). The data is based on the last calculated NAV of the Fund for each month and the value of the benchmark on the corresponding day.

## Fund manager comments

### Review

By the end of July 2010, The Saudi index (TASI) closed at **6283.73**, up by **3.12%** compared to the previous month. Thus, the performance indicator YTD has achieved a positive return by **2.65%**.

The total number of shares traded during the month reached **2.30** billion shares compared to **3.60** billion shares traded during the last month, decreasing by **36.01%**.

**Petrochemical Industries sector up 1.48% compared to the previous month.**

### Outlook

- During the month of July, regional markets recovered from the lackluster conditions that took place in June. Persistent gains in oil prices, easing worries of a double dip recession, as well as a general improvement in risk appetite were some of the main catalysts that drove the rally.

- While we believe that over the coming period volumes will remain anemic with the start of the Holy month of Ramadan, we believe that the Saudi market will stabilize given attractive valuations and supportive oil prices. Furthermore, as global markets continue to stabilize, we believe this should create an additional catalyst for the market.

Unless otherwise stated, all information is up to 31 July 2010, the information and statistical data contained herein have been obtained from source which HSBC Saudi Arabia Limited believes to be reliable; HSBC Saudi Arabia Limited makes no guarantee, representation or warranty and accepts no responsibility as to its accuracy or completeness. The purchase of units in such a fund is not the same as placing cash on deposit with a local bank, HSBC Saudi Arabia Limited has no obligation to redeem units as the offer value, and that the value of investments, and any income from them, can go down as well as up and is not guaranteed and that you, the investor, may not get back the amount originally invested. Changes in rates of currency exchange, particularly where overseas securities are held, may also affect the value of your investment. The investment performance of the fund is calculated on a total return basis (i.e. with the cash dividend reinvested), while the investment performance of the benchmark is calculated on price return basis (i.e. does not include the cash dividend paid). For more detailed information, please refer to the fund's Terms & Conditions through our website. Please refer to the section on risk factors in the fund Terms & Conditions. Fund financials are available free of charge upon written request at any of our financial Centers.

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