JABAL ASSET MANAGEMENT

Jabal ChinaAMC loong Equity Fund

NAV/Unit: 1.133449

Fund Size: RO 6.98 Mn

Investment Objective is to maximize total return while lowering overall volatility, seeking to invest in both China onshore and Hong Kong listed equities that will contribute to capital appreciation and/or generate income to the Fund.

Fund Details

Asset Classes	Equities
Fund Manager	Jabal Asset Management LLC
Country of Domicile	Sultanate of Oman
Date of Inception	27 January 2025
NAV Frequency	Weekly
Management Fee	2% per annum
Minimum Subscription	1,000 units, multiples of 100
Nominal Value	OMR 1.020

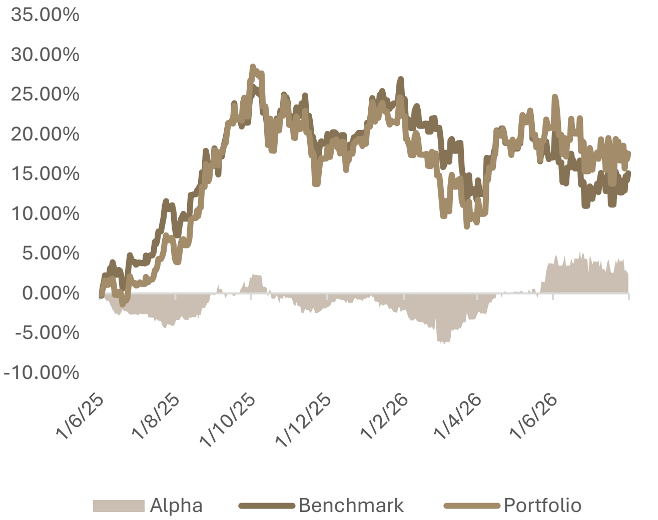
Monthly Commentary

In July, global equities moved modestly higher, with the MSCI World Index gaining 0.5%, while the MSCI China All Shares Index rose approximately 1.5% OMR terms. Chinese equities therefore outperformed developed markets at the headline level, although market dispersion increased materially as the crowded AI and semiconductor complex experienced a sharp de-rating during the month. China's macro backdrop remained two-speed. Second-quarter GDP growth slowed to 4.3% YoY from 5.0% in Q1, while June industrial value added accelerated to 5.3% YoY, supported by equipment and high-tech manufacturing. Domestic demand remained considerably weaker, with June retail sales rising only 1.0% YoY, fixed-asset investment declining 5.7% during the first half and real-estate investment falling 18.0%. Forward indicators softened further in July, with the official Manufacturing PMI falling to 49.2 from 50.3 and the Non-manufacturing PMI declining to 49.0 from 50.2. Inflation also moderated, with July CPI easing to 0.5% YoY and PPI to 3.5%, while exports remained a key offset to domestic weakness, increasing 23.9% YoY on continued strength in AI-related and high-tech shipments. Policy messaging remained supportive, with the late-July Politburo meeting emphasizing faster fiscal implementation and stronger domestic-demand support, without announcing a major stimulus package.

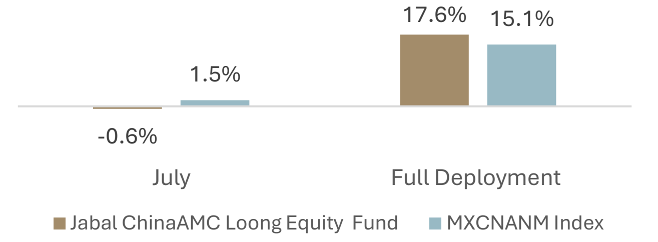
On the portfolio side, the fund returned -0.6% during July compared with +1.5% for the benchmark, resulting in relative underperformance of 2.1%. At the sector-attribution level, asset allocation was the primary detractor at -2.9%, partly offset by a +1.2% contribution from within-sector security selection. Materials (+1.8%) and Industrials (+0.5%) were the strongest contributors, consistent with the portfolio's exposure to areas benefiting from stronger industrial activity, while Information Technology (-1.4%) was the principal drag. Zijin Mining and Yutong Bus contributed positively, while GigaDevice, Zhongji Innolight and SMIC were the largest stock-level detractors as semiconductor and AI-hardware positioning underwent a sharp correction.

Trading reflected this divergence. We reduced exposure to selected consumer, auto and technology names, including Yutong Bus, XPeng, Anta Sports and GigaDevice, while adding to China Coal, Zhejiang China Commodities, CXMT and Tencent. We also rotated within technology, closing the leveraged SK Hynix position and selectively adding optical and domestic semiconductor exposure. While the structural AI investment cycle remains intact, July's performance reinforced the need for greater valuation discipline and tighter position sizing in crowded AI-hardware names, particularly where strong earnings expectations were increasingly reflected in valuations.

Returns



Fund Returns



Key Statistics

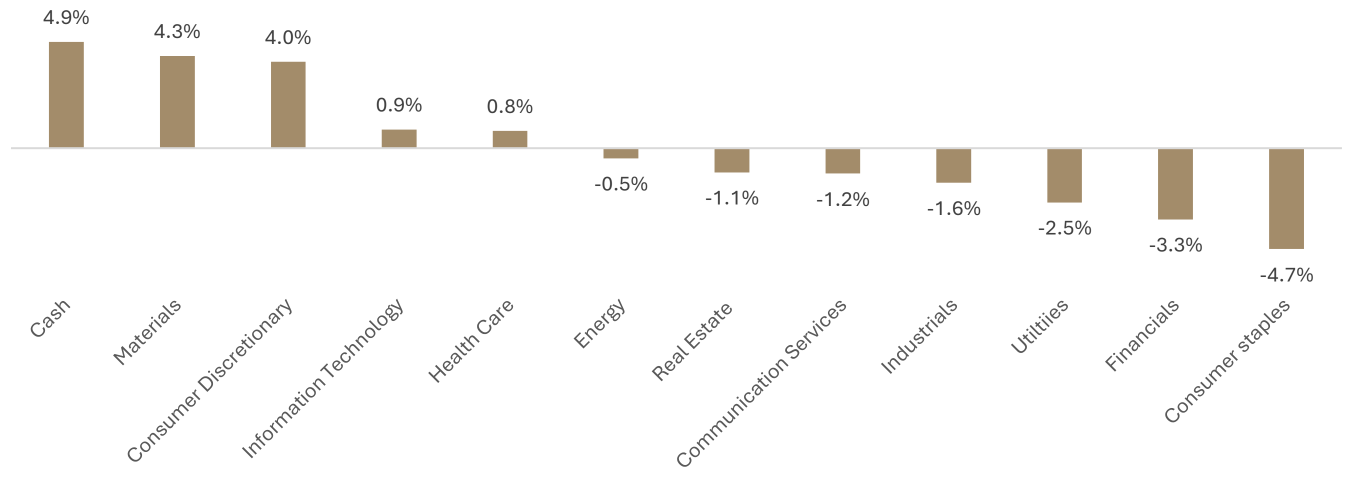
Number of holdings	65
% of largest holding	9.4% - Tencent Holdings Ltd
Annual std. deviation	16.6%
Monthly Alpha	-2.08%
Beta	1.07

Portfolio Characteristics

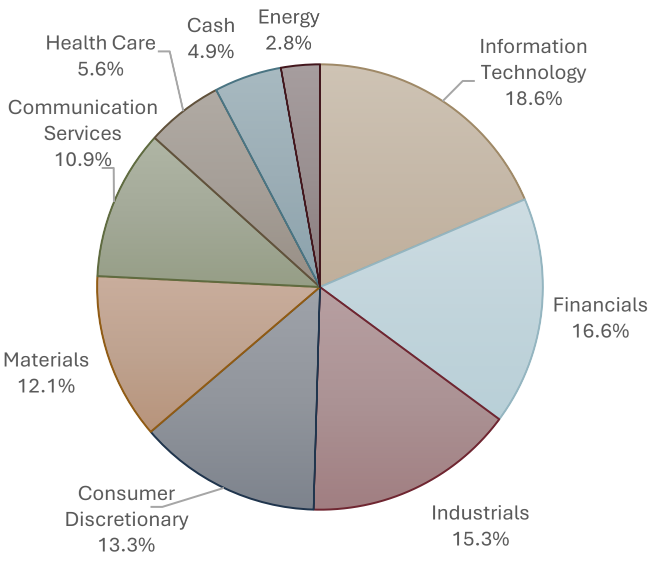
Ratio	Fund	Benchmark
P/E	16.19x	16.17x
P/B	2.11x	1.58x
Div. Yield	2.39%	2.43%
ROE	12.09%	10.11%
ROA	2.55%	1.83%

Asset Allocation

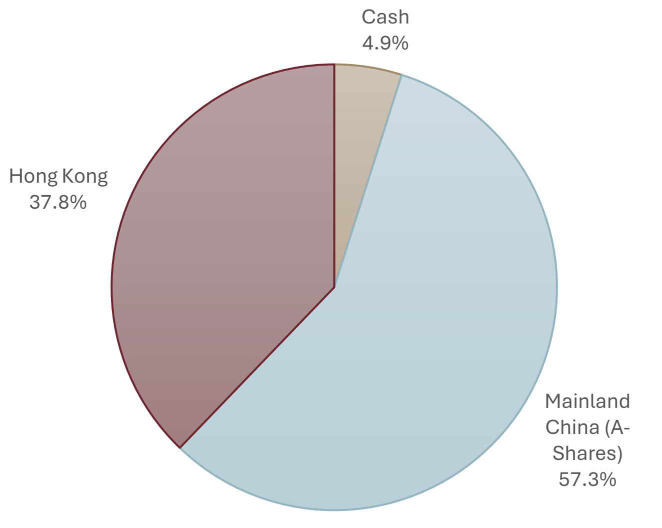
Active Weights (%)



Sector Allocation (%)



Geographical Breakdown (%)



Top 5 Holdings (%)

Company Name	Sector	Weight	P/E TTM	P/BV	Div Yield TTM
TENCENT HOLDINGS LTD	Communication Services	9.4%	15.78x	3.31x	1.12%
CONTEMPORARY AMPEREX TECHN-A	Industrials	7.6%	21.22x	4.82x	0.91%
ALIBABA GROUP HOLDING LTD	Communication Discretionary	6.9%	40.80x	1.87x	0.84%
ZIJIN MINING GROUP CO LTD-A	Materials	5.3%	12.33x	3.80x	2.78%
CASH	Cash	4.9%	-	-	-

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