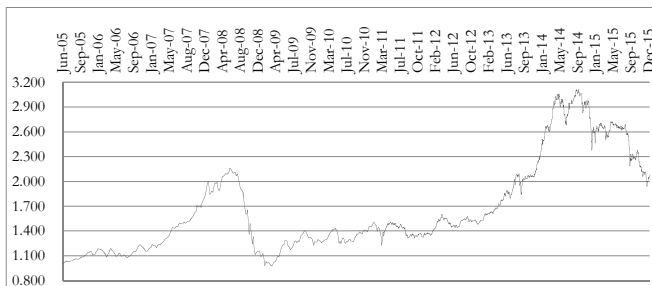
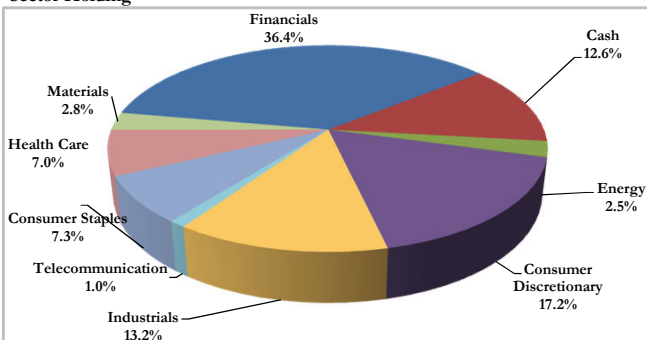


**Fund Objective**

The primary objective of Vision Emerging GCC Fund (VEGF) is to maximize the risk adjusted returns, as measured by Sharpe Ratio. It follows a flexible asset allocation policy with investments spread across a diversified range of investment options including alternative investments.

**Performance Chart\***


(\* Adjusted for dividends, assuming dividends are reinvested)

**Sector Holding**


Note : Financials constitute Real Estate companies as per GICS classification

	Sharpe Ratio	Standard Deviation	Returns since 2-Jun-05	Returns YTD 2015	Dec 2015 Returns
VEGF	0.24	17.00%	107.53%	-19.94%	-0.49%
S & P GCC	-0.32	20.02%	-41.43%	-17.43%	-2.44%
S & P KWT	-0.29	20.12%	-37.88%	-18.41%	-2.65%
S & P Oman	-0.05	18.70%	11.94%	-13.04%	-2.75%
S & P Qatar	0.03	23.73%	19.41%	-18.65%	4.28%
S & P UAE	-0.13	29.41%	-40.58%	-17.05%	1.35%
S & P Bahrain	-0.48	14.76%	-39.83%	-12.72%	0.06%
S & P Saudi	-0.21	26.37%	-45.98%	-17.73%	-4.91%

**Manager Report**

Markets across the globe witnessed the downward pressure during the month. The OPEC's meeting in Vienna left the Oil production quota unchanged. US Federal Reserve during its December meeting increased the much talked about interest rate by 0.25% after seven years at near zero levels. US lifted the 40-year ban on its oil exports.

GCC markets continued to witness dampened investor sentiments due to low oil prices and geo-political situations. Investors awaited for government budgets, to take fresh stance on the view. For the month, Qatar stock exchange and Abu Dhabi stock exchange closed in the green territory while all the other markets closed in the red territory.

The fund registered a decline in the value by 19.94% for the year. During the same period, S&P GCC declined by 17.43%.

For the year and for the month TASI fell the most, declining 17.1%YTD and 4.5%MTD, respectively. Media & Publishing and Transport sector gained the most, increased by 57%YTD and 7.5%YTD, respectively. Cement sector and Building & Construction sector declined by 33.7%YTD and 30.4%YTD. Petrochemical and Banking & Financial Services sector declined by 27%YTD and 14.9%YTD, respectively. Higher than expected expenses and decline in oil prices resulted in highest recorded fiscal deficit of SAR 367 bn in 2015. For 2016, Saudi aims to cut the budget deficit to SAR 326 bn based on projected revenues at SAR 513.8bn and expenditure at SAR 840 bn. Kingdom increased the cost of electricity and fuel prices in order to deal with the high deficits.

DFM declined 1.7%MTD and 16.5%YTD. Consumer staples and Services sector gained most during the year, increased by 39.8%YTD and 6.3%YTD, respectively. Real Estate & Construction and Industrial Sector lost the most, down 25.4%YTD and 22.7%YTD, respectively. Dubai approved a zero-deficit budget of AED 46.1bn for 2016. The spending is expected to increase by 12% as compared to the previous budget with a major portion allocated towards infrastructure to sustain the economic growth.

ADX was the only market that registered declines in single digit amongst the other GCC markets. The market declined 4.9% YTD and for the month, gained 1.7%. Telecommunication and Consumer Staples gained the most during the year, increasing by 61%YTD and 26%YTD, respectively. Banks and Real Estate sector declined by 15.4%YTD and 12.2%YTD, respectively. UAE central bank raised its key policy rates by 25 bps following the US Federal Reserve's interest rate revision. Towards the end of the year, Executive Council approved AED 17.5bn for Abu Dhabi projects. Housing has been allotted AED 5.9 bn while infrastructure has been allotted AED 4.3bn.

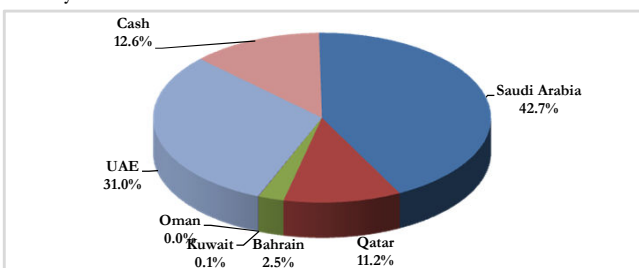
Qatar stock exchange ended the year down 15.1% but for the month gained 3.4%. Transportation and Real Estate gained the most, increased 4.9%YTD and 3.9%YTD, respectively. Telecommunication and Industrial sector declined the most, fell 33.6%YTD and 21.1%YTD, respectively. For the first time in 15 years, Qatar projected a budget deficit of QAR 46.5 bn. Qatar has budgeted revenues at QAR 156bn and expenditures at QAR 202.5bn. Compared to the previous year's budget the expenditure has been lowered by 7.3%. The shortfall is expected to be covered by local and international debt issues according to the budget statement. Budget intends to sustain spending in key sectors and other projects tied to Qatar 2022 World Cup.

The other markets MSM, KSE and BSE closed the year lower by 14.8%, 14.1% and 14.8%, respectively. Brent oil declined 35%YTD and 16.4%MTD. Gold declined by 10.4% during the year.

We are of the view that the budgets announced by the various governments support the ongoing projects that are being undertaken. We expect the markets to be volatile on the back of lower oil prices and geo-political tensions. We are of the opinion that the region provides opportunity for picking value stocks. The fund to remain invested in fundamentally strong companies

**NAV: RO. 1.010 { 2.62 USD }**
**Fund Information**

Fund type	Open Ended
Lipper ID	65044199
Bloomberg ID	VSEMGCC OM
Global Custodian	National Bank Of Oman
Administrator	Vision Investment Services Co. SAOC
Auditors	PricewaterhouseCoopers
Date of Inception	May 19, 2005
YTD Returns	-19.94%
Annualized Sharpe Ratio	0.24
Annualized Standard Deviation	17.00%
Highest Monthly Return	12.80% (July 2013)
Least Monthly Return	-24.75% (October 2008)
Dividends Paid For 2013	10.00%
Dividends Paid For 2014	5.00%
Bonus Paid For 2007	60.00%

**Countrywise Allocation**

**Top 5 Holdings**

Script	Country	% Exposure
Al Tassar	Saudi Arabia	3.13%
Aldar Properties	UAE	3.08%
Mouwasat Medical Services Co	Saudi Arabia	2.99%
Saudi Airlines Catering Comp	Saudi Arabia	2.86%
Al Khaleej Training	Saudi Arabia	2.64%

**Fund Performance\***

1 Year	3 Years	5 Years	Since Inception
-19.94%	35.53%	41.33%	107.53%

(\* Adjusted for dividends, assuming dividends are reinvested)