

S&P **INDICES**

Working with S&P/OIC COMCEC 50 Shariah

Charbel S. Azzi; Director, Regional Head, MEA

Index Overview

- Shariah-compliant benchmark measuring the performance of 50 leading companies from OIC-member states
- Designed to be representative of the market yet efficient to replicate
- Encapsulates in one index performance of Shariah compliant stocks from Islamic countries
- Useful as a benchmark for market performance and for serving as the basis for index-linked investment products
- Created jointly by S&P Indices and the OIC

Index Methodology

- Eligibility
 - Domiciled in OIC-member state and covered by S&P Indices
 - Must be Shariah-compliant
 - Minimum US\$ 1 million 3-month average daily value traded
- Constituent Selection
 - The largest 50 stocks by float-adjusted market cap subject to:
 - 1 stock from each country must be included
 - Maximum of 8 stocks from each country
- Index Weighting
 - Capped market capitalization weighting scheme
 - Single stock cap: 5%
 - Country cap: 20%
- Index Maintenance
 - Quarterly rebalancing for adds/drops, share changes and weight capping
 - Shariah-compliance changes are implemented monthly

S&P's Shariah Methodology – Business Activity Screens

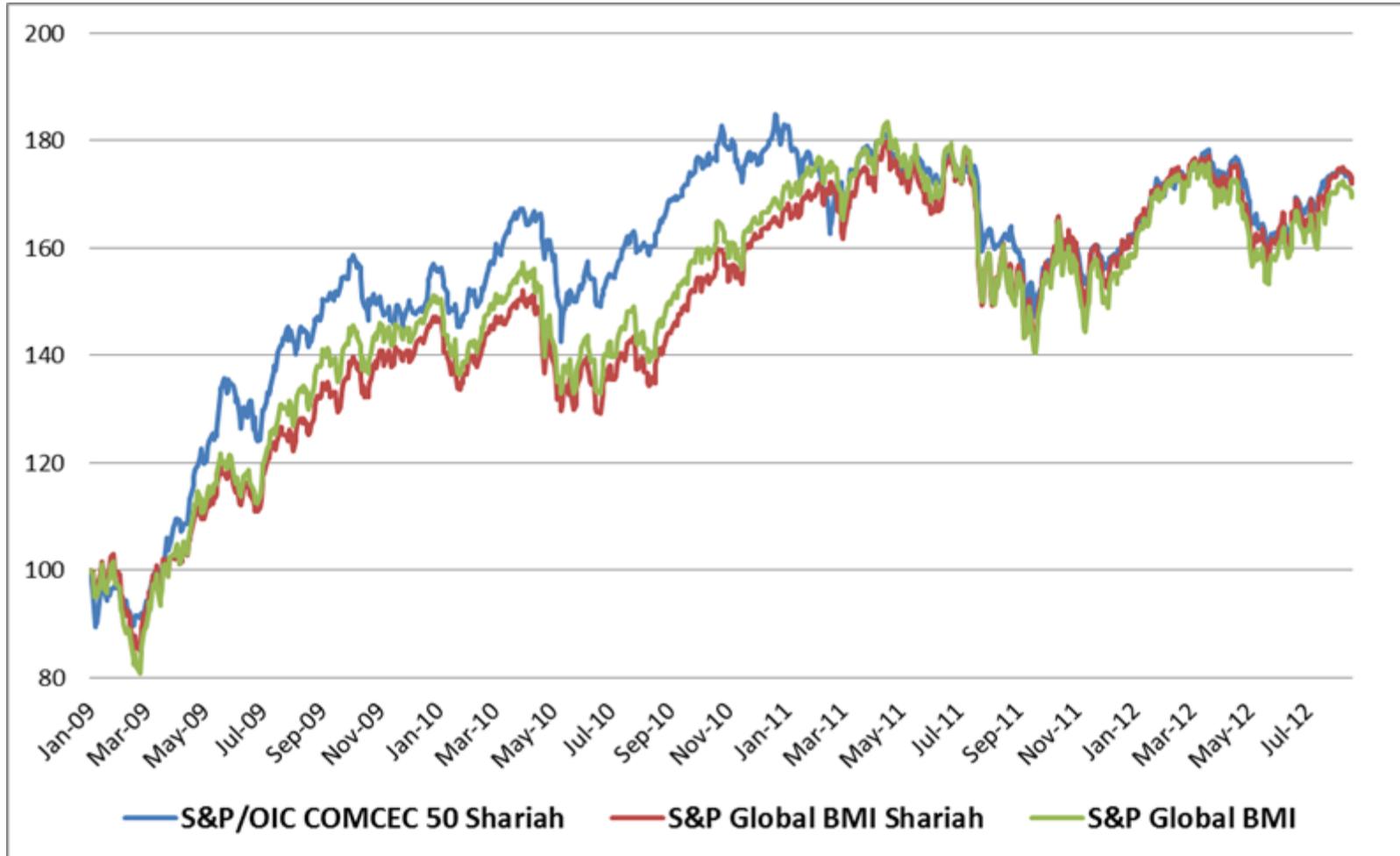
- Business activity screens exclude the following:
 - Pork
 - Alcohol
 - Gambling
 - Financials, except:
 - Islamic Banks
 - Islamic Financial Institutions
 - Islamic Insurance Companies
 - Advertising and Media, with the following exceptions:
 - Newspapers
 - News Channels
 - Media and advertising companies generating revenues in excess of 65% of total income from the GCC countries.
 - Pornography
 - Tobacco
 - Trading of gold and silver as cash on a deferred basis
 - Cloning

For more information on the S&P Shariah Indices Methodology, please see the index methodology at www.standardandpoors.com/indices.

S&P's Shariah Methodology – Accounting Screens

- **Leverage Compliance:**
 - Debt / Market Value of Equity (36 Month average) < 33 %
- **Cash Compliance:**
 - Accounts Receivables / Market value of Equity (36 Month average) < 49 %
 - (Cash + Interest Bearing Securities) / Market value of Equity (36 Month average) < 33%
- **Revenue Share from Non-Compliant Activities:**
 - Revenue from non-complaint activities can be tolerated, if they comply with the following threshold:
 - (Non Permissible Income other than Interest Income) / Revenue < 5%
- **Dividend Purification Ratio:**
 - This ratio is provided to market participants for purification purposes, it is calculated as:
 - Dividend * (Non Permissible Revenue / Total Revenue)

Historical Performance Comparison



Source: S&P Indices. Data as of August 31, 2012. Index performance based on total return index levels in USD. Charts and graphs are for illustrative purposes. Charts and graphs may reflect hypothetical historical performance. Please see the Performance Disclosure for more information regarding the inherent limitations associated with back-tested performance.

Comparative Risk/Return Statistics

	S&P/OIC COMCEC 50 Shariah	S&P Global BMI Shariah	S&P Global BMI
Returns			
1-Month	0.4%	2.3%	2.4%
3-Month	6.2%	8.1%	8.5%
Year-to-Date	8.2%	9.5%	9.9%
1-Year	6.5%	7.7%	6.1%
Annualized Returns			
Since 31 Jan 2009	17.5%	17.3%	17.0%
Annualized Volatility			
Since 31 Jan 2009	17.4%	18.0%	19.9%

Source: S&P Indices. Data as of August 31, 2012. Index performance based on total return index levels in USD. Charts and graphs are for illustrative purposes. Charts and graphs may reflective hypothetical historical performance. Please see the Performance Disclosure for more information regarding the inherent limitations associated with back-tested performance.

Country Composition

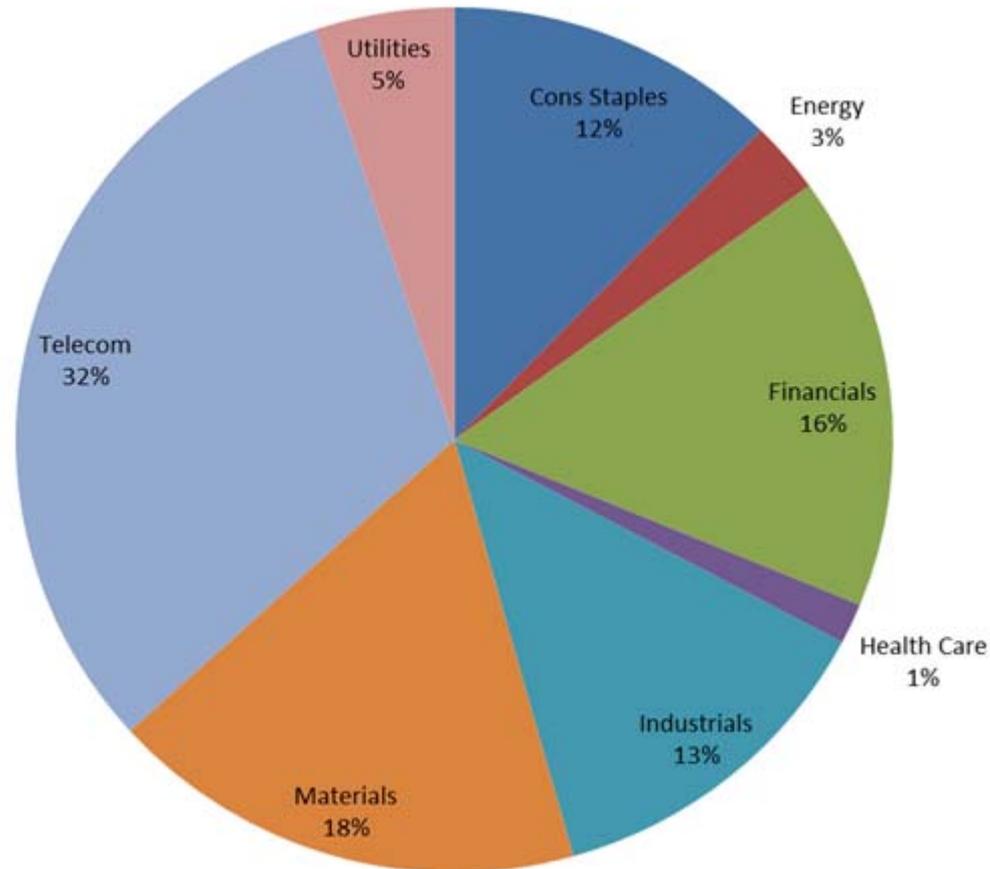
COUNTRY	INDEX WEIGHT	STOCK COUNT
BAHRAIN	0.1%	1
BANGLADESH	0.2%	1
CÔTE D'IVOIRE	0.4%	1
EGYPT	0.7%	1
INDONESIA	20.1%	8
JORDAN	0.1%	1
KAZAKHSTAN	3.0%	2
KUWAIT	9.8%	4
LEBANON	1.1%	1
MALAYSIA	20.3%	8
MOROCCO	1.5%	1
NIGERIA	0.9%	1
OMAN	0.6%	1
PAKISTAN	1.0%	1
QATAR	7.6%	3
SAUDI ARABIA	20.4%	8
TUNISIA	0.0%	1
TURKEY	11.8%	5
UNITED ARAB EMIRATES	0.3%	1
Total	100.0%	50

As of each quarterly rebalancing:

- Max number of stocks per country: 8
- Min number of stocks per country: 1
- Max weight per country: 20%

Source: S&P Indices. Data as of August 31, 2012. Charts and graphs are provided for illustrative purposes.

Sector Composition



Source: S&P Indices. Data as of August 31, 2012. Charts and graphs are provided for illustrative purposes. Sector composition is based on the Global Industry Classification Standard (GICS).

Top 10 Constituents

COMPANY	COUNTRY	GICS SECTOR	INDEX WEIGHT
SAUDI BASIC INDUSTRIES CORP	SAUDI ARABIA	Materials	5.2%
Telekomunikasi Indonesia Tbk PT	INDONESIA	Telecom	5.2%
Al Rajhi Banking & Investment Corp.	SAUDI ARABIA	Financials	4.9%
Mobile Telecommunications Company	KUWAIT	Telecom	4.9%
Industries Qatar	QATAR	Industrials	4.3%
Turkcell Iletisim Hizmet AS	TURKEY	Telecom	3.9%
Sime Darby Bhd	MALAYSIA	Industrials	3.7%
BIM Birlesik Magazalar AS	TURKEY	Cons Staples	3.4%
Kuwait Finance House	KUWAIT	Financials	3.1%
Etihad Etisalat Co.	SAUDI ARABIA	Telecom	3.0%
Total			41.6%

Source: S&P Indices. Data as of August 31, 2012. Charts and graphs are provided for illustrative purposes.

Thank You

Contact Us

Charbel Azzi

Director, Regional Head, MEA

S&P
INDICES

Performance Disclosure

The inception date of the S&P/OIC COMCEC Shariah 50 was June 15, 2012, at the market close. All information presented prior to the index inception date is backtested.

The back-test calculations are based on the same methodology that was in effect when the index was officially launched. Complete index methodology details are available at www.indices.standardandpoors.com.

Past performance is not an indication of future results. Prospective application of the methodology used to construct the S&P/OIC COMCEC Shariah 50 may not result in performance commensurate with the back-test returns shown. The back-test period does not necessarily correspond to the entire available history of the index.

Please refer to the methodology paper for the index, available at www.standardandpoors.com for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations. It is not possible to invest directly in an Index.

Also, another limitation of hypothetical information is that generally the index is prepared with the benefit of hindsight. Back-tested data reflect the application of the index methodology and selection of index constituents in hindsight. No hypothetical record can completely account for the impact of financial risk in actual trading.

For example, there are numerous factors related to the equities (or fixed income, or commodities) markets in general which cannot be, and have not been accounted for in the preparation of the index information set forth, all of which can affect actual performance.

The index returns shown do not represent the results of actual trading of investor assets. Standard & Poor's maintains the indices and calculates the index levels and performance shown or discussed, but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause actual and back-tested performance to be lower than the performance shown. In a simple example, if an index returned 10% on a US \$100,000 investment for a 12-month period (or US\$ 10,000) and an actual asset-based fee of 1.5% were imposed at the end of the period on the investment plus accrued interest (or US\$ 1,650), the net return would be 8.35% (or US\$ 8,350) for the year. Over 3 years, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US\$ 5,375, and a cumulative net return of 27.2% (or US\$ 27,200).

General Disclaimer

This document does not constitute an offer of services in jurisdictions where Standard & Poor's or its affiliates do not have the necessary licenses. All information provided by Standard & Poor's is impersonal and not tailored to the needs of any person, entity or group of persons. Standard & Poor's receives compensation in connection with licensing its indices to third parties. Any returns or performance provided within are for illustrative purposes only and do not demonstrate actual performance. Past performance is not a guarantee of future investment results.

It is not possible to invest directly in an index. Exposure to an asset class is available through investable instruments based on an index. Standard & Poor's and its affiliates do not sponsor, endorse, sell, promote or manage any investment fund or other vehicle that is offered by third parties and that seeks to provide an investment return based on the returns of any Standard & Poor's index. There is no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. Standard & Poor's is not an investment advisor, and Standard & Poor's and its affiliates make no representation regarding the advisability of investing in any such investment fund or other vehicle. A decision to invest in any such investment fund or other vehicle should not be made in reliance on any of the statements set forth in this document. Prospective investors are advised to make an investment in any such fund or other vehicle only after carefully considering the risks associated with investing in such funds, as detailed in an offering memorandum or similar document that is prepared by or on behalf of the issuer of the investment fund or other vehicle. Inclusion of a security within an index is not a recommendation by Standard & Poor's or its affiliates to buy, sell, or hold such security, nor is it considered to be investment advice. Closing prices for S&P US benchmark indices are calculated by S&P Indices based on the closing price of the individual constituents of the Index as set by their primary exchange (i.e., NYSE, NASDAQ, NYSE AMEX). Closing prices are received by S&P Indices from one of its vendors and verified by comparing them with prices from an alternative vendor. The vendors receive the closing price from the primary exchanges. Real-time intraday prices are calculated similarly without a second verification.

These materials have been prepared solely for informational purposes based upon information generally available to the public from sources believed to be reliable. No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's. The Content shall not be used for any unlawful or unauthorized purposes. Standard & Poor's, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

In addition, S&P and its affiliates provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

Copyright © 2012 by Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies. All rights reserved. Redistribution, reproduction and/or photocopying in whole or in part is prohibited without written permission.

STANDARD & POOR'S, S&P, and S&P Indices are registered trademarks of Standard & Poor's Financial Services LLC.