

≡ FFA Private Bank

DISCRETIONARY ASSET MANAGEMENT MANDATE
FFA ASSET MANAGEMENT DEPARTMENT



ABOUT FFA PRIVATE BANK



PRIVATELY HELD
AND FOUNDED IN 1994

44 Million USD
SHAREHOLDER'S EQUITY



REGULATED BY THE
CENTRAL BANK OF LEBANON,
LIST OF BANKS NO.129

1.5 Billion USD
ASSETS UNDER MANAGEMENT



HEADQUARTERED
IN BEIRUT & DUBAI (DIFC)

40 % CAR
BASEL III CET1 RATIO

SERVICES

- Capital Markets & Online Trading
- Private Wealth Management
- Asset Management
- Investment Banking
- Banking
- Real Estate Development & Management



FFA manages the following:

- **Bond Fund**
FFA International Bond Fund
- **Balanced Fund**
FFA Global Opportunity Investment Fund
- **Discretionary Asset Management Mandates**

FFA offers expertise across wealth management disciplines to help clients advance towards their goals by:

- Focusing on risk-adjusted returns
- Rapidly adjusting to tactical opportunities and risks
- Standing by clients through market cycles
- Consistently keeping clients informed
- Focusing on clients' needs
- Understanding that clients' needs are of paramount importance

STEPS TO CONSTRUCT A PORTFOLIO

1. UNDERSTAND

Risk Profile:

Risk tolerance & risk capacity

Return Requirement:

Absolute return/relative return

2. PROPOSE

Investment solutions through a discretionary account at FFA Private Bank or FFA Private Bank Dubai

3. IMPLEMENT

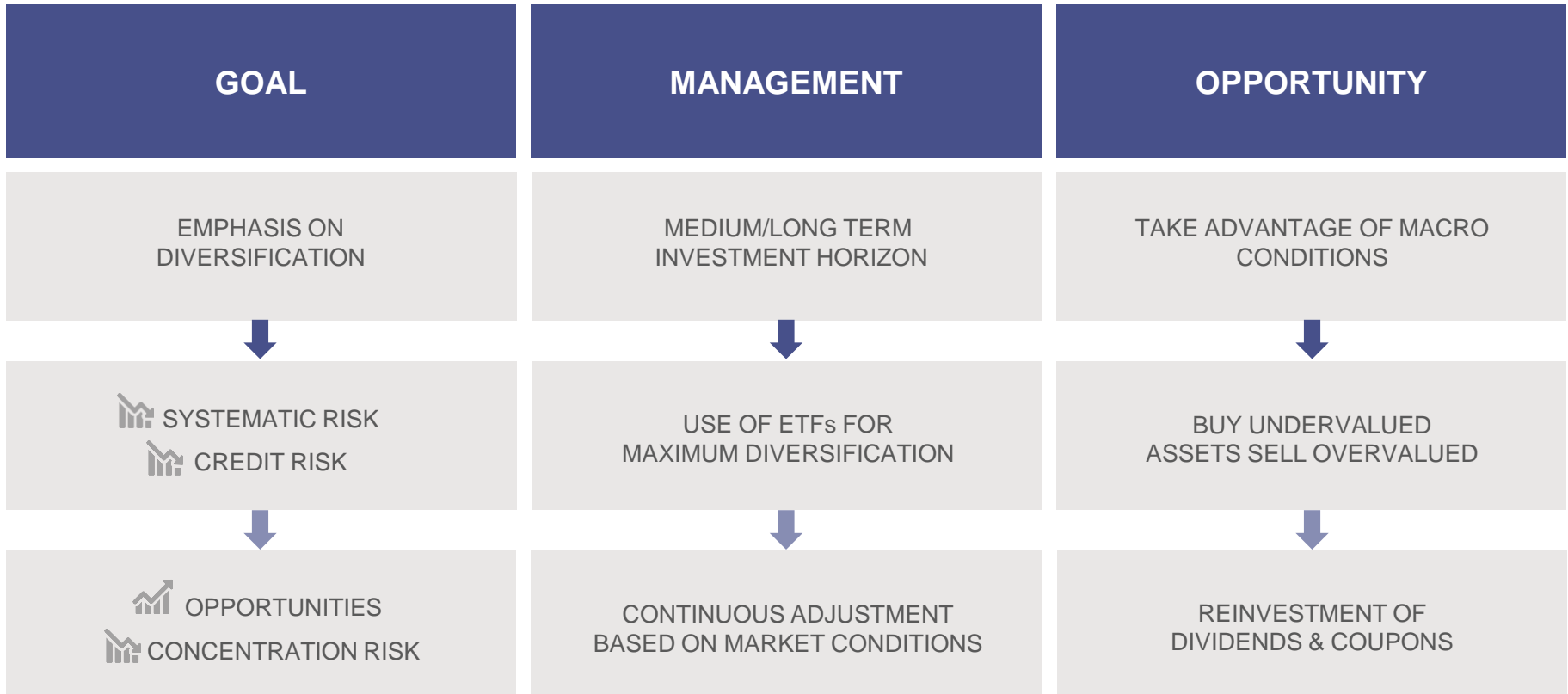
Selection of investment solutions:

1 of 4 Investment Strategies or Tailored Investment Solution

4. REVIEW

Periodic Review of **investment results & profits**

Periodic Reallocation **Of Assets**



INVESTMENT STRATEGY	CONSERVATIVE	MODERATE	GROWTH	AGGRESSIVE																																																
INVESTMENT OBJECTIVE	Seeks capital gain consistent with a conservative level of volatility relative to other strategies	Seeks capital gain consistent with a moderate level of volatility relative to other strategies	Seeks capital gain consistent with a considerable level of volatility relative to other strategies	Seeks capital gain consistent with an aggressive level of volatility relative to other strategies																																																
MAIN FINANCIAL INSTRUMENTS USED	<table border="1"> <tr><th>Instrument</th><th>Percentage</th></tr> <tr><td>Fixed Income</td><td>68%</td></tr> <tr><td>Equity</td><td>23%</td></tr> <tr><td>Money Market</td><td>3%</td></tr> <tr><td>Commodity</td><td>2%</td></tr> <tr><td>Alternative</td><td>4%</td></tr> </table>	Instrument	Percentage	Fixed Income	68%	Equity	23%	Money Market	3%	Commodity	2%	Alternative	4%	<table border="1"> <tr><th>Instrument</th><th>Percentage</th></tr> <tr><td>Fixed Income</td><td>46%</td></tr> <tr><td>Equity</td><td>45%</td></tr> <tr><td>Money Market</td><td>3%</td></tr> <tr><td>Commodity</td><td>2%</td></tr> <tr><td>Alternative</td><td>4%</td></tr> </table>	Instrument	Percentage	Fixed Income	46%	Equity	45%	Money Market	3%	Commodity	2%	Alternative	4%	<table border="1"> <tr><th>Instrument</th><th>Percentage</th></tr> <tr><td>Fixed Income</td><td>25%</td></tr> <tr><td>Equity</td><td>66%</td></tr> <tr><td>Money Market</td><td>3%</td></tr> <tr><td>Commodity</td><td>2%</td></tr> <tr><td>Alternative</td><td>4%</td></tr> </table>	Instrument	Percentage	Fixed Income	25%	Equity	66%	Money Market	3%	Commodity	2%	Alternative	4%	<table border="1"> <tr><th>Instrument</th><th>Percentage</th></tr> <tr><td>Fixed Income</td><td>5%</td></tr> <tr><td>Equity</td><td>86%</td></tr> <tr><td>Money Market</td><td>3%</td></tr> <tr><td>Commodity</td><td>2%</td></tr> <tr><td>Alternative</td><td>4%</td></tr> </table>	Instrument	Percentage	Fixed Income	5%	Equity	86%	Money Market	3%	Commodity	2%	Alternative	4%
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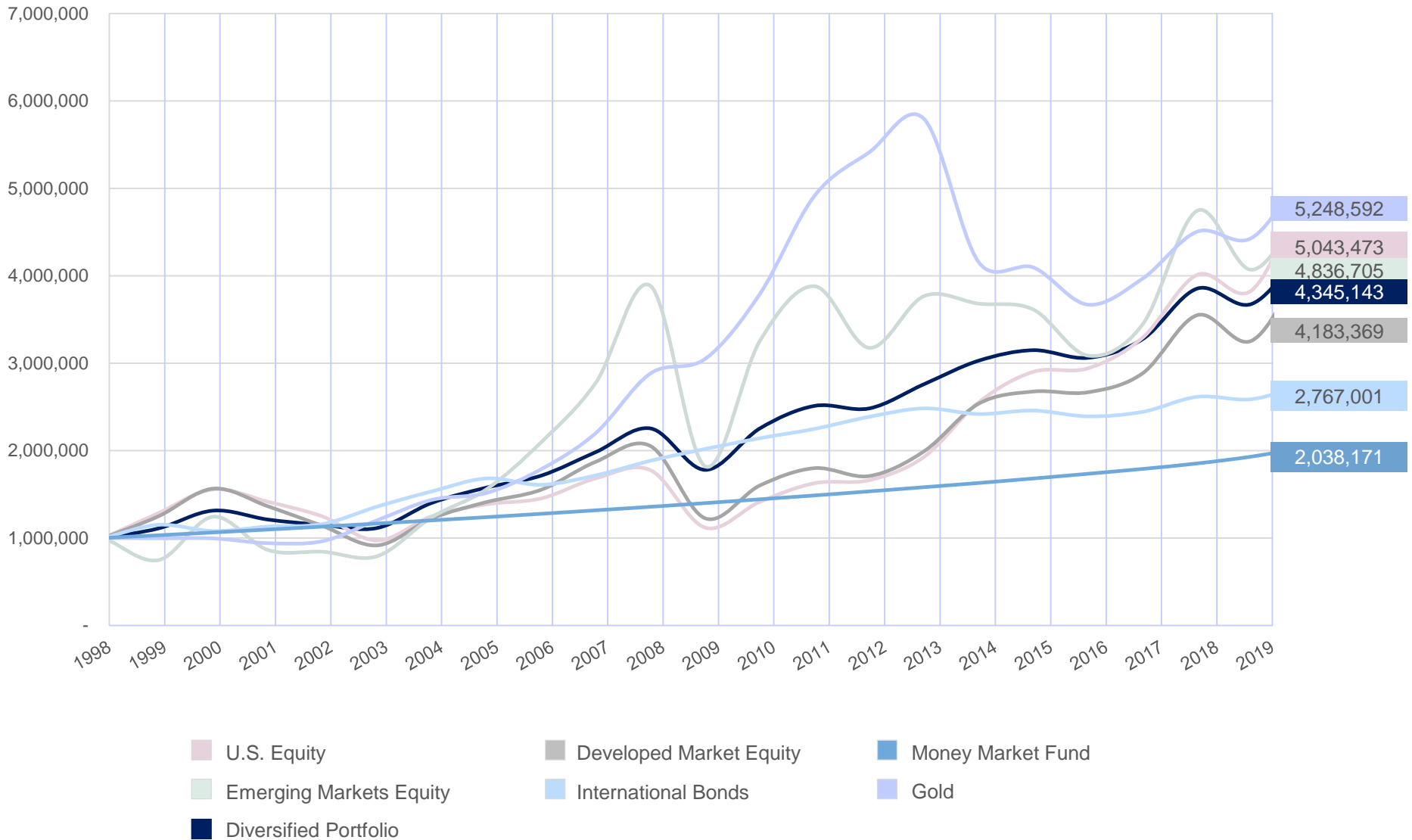


The primary goal of a strategic asset allocation is to create an asset mix that will provide the optimal balance between expected risk and return for a long-term investment horizon. By investing in more than one asset category, one will reduce the risk of loss and the portfolio's overall investment returns will have a smoother ride.

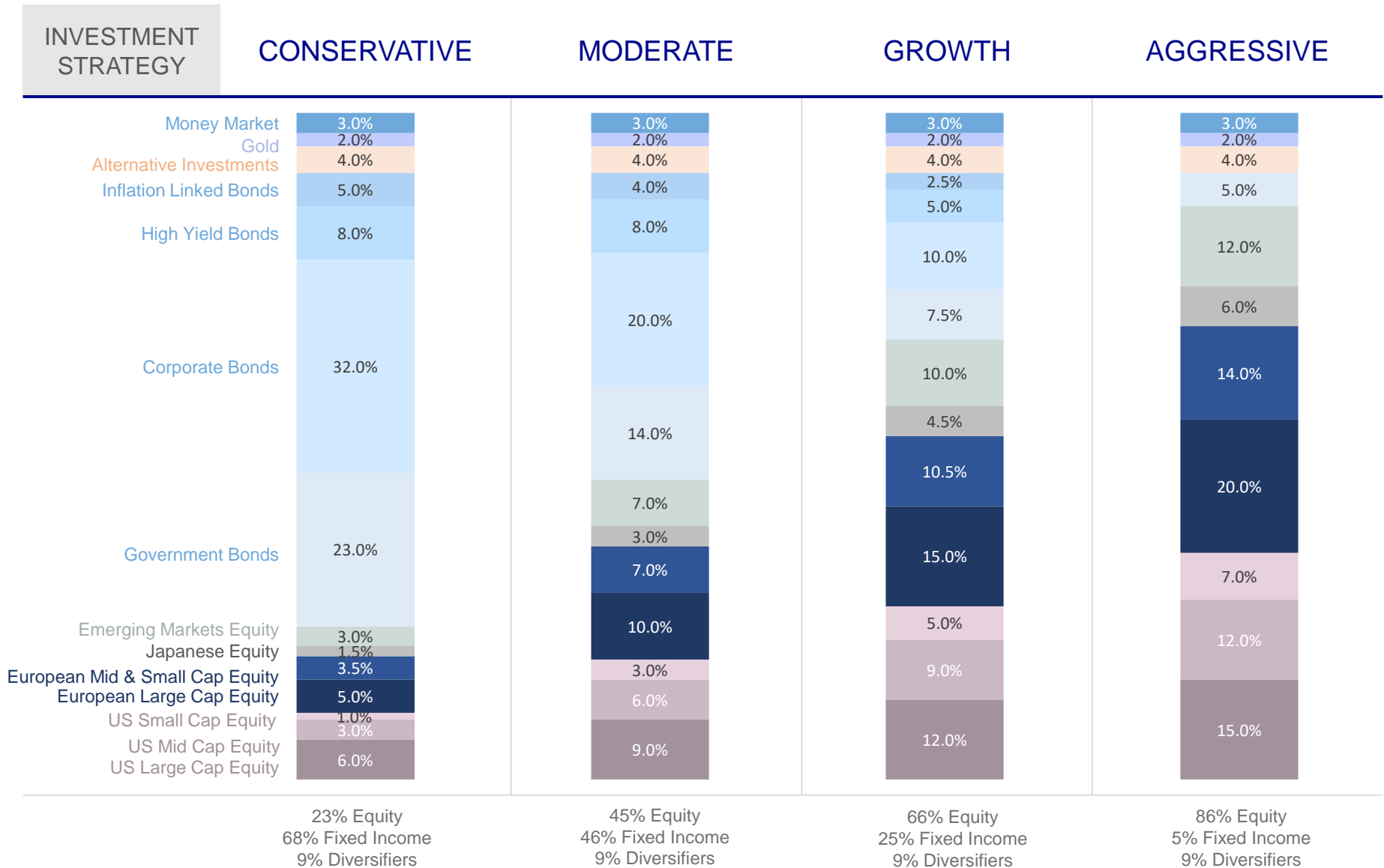
DIVERSIFICATION BENEFITS

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
BEST	28.58%	66.41%	4.73%	3.06%	24.77%	56.28%	25.95%	34.54%	32.55%	39.82%	7.17%	79.02%	29.57%	10.10%	18.63%	32.39%	13.69%	3.23%	11.95%	37.75%	4.26%	31.48%
	24.80%	25.34%	3.12%	2.55%	17.26%	33.76%	15.25%	17.92%	23.15%	30.94%	5.80%	30.79%	19.20%	6.14%	16.54%	27.37%	5.50%	1.38%	11.60%	23.07%	-1.03%	28.40%
	15.05%	21.04%	-5.47%	2.46%	3.13%	28.68%	12.50%	10.02%	20.65%	13.63%	3.13%	26.73%	15.06%	3.13%	16.00%	9.75%	3.97%	-0.32%	8.15%	21.82%	-1.56%	18.88%
	10.89%	18.37%	-7.81%	-2.37%	-3.08%	25.82%	10.88%	8.70%	15.79%	9.73%	-21.06%	26.46%	12.34%	2.11%	11.16%	3.06%	3.14%	-2.71%	8.14%	17.67%	-4.38%	18.31%
	3.06%	3.13%	-9.10%	-5.05%	-6.00%	19.37%	9.69%	4.91%	15.73%	9.57%	-37.00%	24.37%	11.41%	-1.15%	7.06%	-2.27%	1.66%	-2.78%	7.00%	13.53%	-4.54%	18.10%
	-0.28%	-0.09%	-12.92%	-11.89%	-19.54%	12.81%	5.54%	3.13%	6.75%	5.49%	-40.33%	6.08%	5.01%	-5.02%	4.05%	-2.62%	-1.44%	-10.41%	3.22%	7.05%	-8.20%	6.84%
WORST	-25.34%	-6.19%	-30.61%	-16.52%	-22.10%	3.12%	3.06%	-4.36%	3.12%	3.06%	-53.18%	3.12%	3.06%	-18.17%	3.12%	-28.28%	-1.82%	-14.60%	2.16%	3.51%	-14.25%	5.44%

- U.S. Equity: S&P 500 Total Return Index
 - Emerging Markets Equity: MSCI Daily TR Gross EM
 - Developed Market Equity: MSCI Daily TR Gross World
 - International Bonds: JPM Global Aggregate Bond Index
 - Money Market Fund
 - Gold: Gold Spot
- Diversified Portfolio is composed of 15% of the S&P500 TR, 25% of the MSCI Daily TR Gross World, 15% of the MSCI Daily TR Gross EM, 25% of the JPM Global Aggregate Bond Index, 5% of Gold, and 15% of Money Market Fund.



ASSET ALLOCATION BY STRATEGY



PERFORMANCE OF THE CURRENT ALLOCATIONS NET OF FEES:

As of 31/12/2019

	CONSERVATIVE	MODERATE	GROWTH	AGGRESSIVE
Target Annual Return	3.00%	4.00%	5.00%	6.00%
3Y Annualized Return	3.42%	3.99%	4.51 %	5.46%
3Y Standard Deviation	3.21%	4.64%	6.01%	7.07%
3Y Sharpe Ratio	0.99	0.81	0.71	0.74
3Y Maximum Drawdown	-6.03%	-8.59%	-10.70%	-11.61%
5Y Annualized Return	2.76%	3.56%	4.12%	5.09%
5Y Standard Deviation	3.92%	5.70%	7.55%	9.03%
5Y Sharpe Ratio	0.64	0.58	0.51	0.54
5Y Max Drawdown	-6.03%	-8.59%	-11.42%	-13.11%

Target Annual Return: Target average annual return based on historical and forecasted asset class returns.

Annualized Return: The average amount of money earned by an investment each year over a given time period.

Standard Deviation: Standard deviation is known as historical volatility and is used by investors as a gauge for the amount of expected volatility.

Sharpe Ratio: Measurement of the approach's risk-adjusted performance.

Max Drawdown: The peak-to-trough decline during a specific record period of an investment.

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