

What are the Mutual Investment Funds?

They are investment programs managed by professional and specialized management and include investment in Stocks, Bonds and Cash. Each Fund is composed of different investments managed by the Fund Manager. The mutual investments allow for reaching a wide range of investment services in different markets.

Why is it preferred to invest in Mutual Funds?

Investment in Mutual Funds has many advantages; such as:

Risk Distribution:

Mutual Funds provide you with the opportunity of investing in wide range of stocks even if the amount to be invested is small. This allows for distributing the risks on a number of services and markets.

Access of Global Investment Opportunities

The individual purchasing of the same number of stocks (as is the case in Mutual Investment Fund) involves high costs. However, by investing in Investment Funds, you will be able to invest in stocks in a wide range of markets and at lower cost.

Specialized Management:

Mutual Funds are managed by specialized persons with extensive experience, so you can invest your money without exposure to problems that affect many individual investors such as limited investment experience, time constrain and access to latest information on the markets.

Less Procedures:

Mutual Funds provide the opportunity to invest in stocks without the administrative burdens resulting from stock settlement arrangement, registration and issuance of new stocks.

Flexibility:

As it is possible to periodically purchase and sell Mutual Funds, you can simply move from one Fund to the other when such Fund changes its preferences. It is possible also to follow-up the investments value as funds prices will be posted in the websites of the company and Tadawul.

What Fees are to be imposed?

Subscription Fee:

To be applied upon purchasing units in the Fund (there is no subscription fees to Alinma Investment Funds).

Redemption Fee:

To be applied upon selling units in the Fund (there is no redemption fees in Alinma Investment Funds).

Management Fee:

Percentage of the Fund's net assets value.

Switching Fee:

To be applied upon switching the investment from one Fund to another.

How to Show the Prices of Investment Funds?

Funds' prices are normally indicated in the assets' net value which is the total value of the assets minus all expenses and costs (such as management fees). channels (i:e internet and phone). The actual value of the price of the Fund's units will be determined on the evaluation day by reference to the net value of the Portfolio or Fund's assets minus any charge and then dividing the value on the Fund's existing units. The output shall equal the unit price through which you can subscribe.

What Investment Risks are involved in Mutual Funds?

As is the case with stock investment, the proceeds of Mutual Funds are not guaranteed or the investments value fluctuates according to the Fund investments value. However, investing in a wide pool of stocks through distributing the risks on multiple assets' categories (i:e Stocks, Bonds and Cash) reduces risks. There are different types of Mutual Funds that can adapt with different types of risks and this will allow you to choose the Fund that suits the type of risks you choose. It is worth mentioning here that Investment Funds are subject to strict and precise regulatory controls.

How Can the Investor Choose the Optimal Investment Area?

To be able to choose a suitable investment field that fit your requirements as one of the new investors, you should answer some of the following questions:

What are the investment goals?

What is the period during which you would like to invest?

To what extent can you afford risks?

To what extent do you need liquidity during the investment term?

Based on the answers of the above questions, one of our specialists in Alinma Investment will guide and provide you with an investment suggestion that matches your objectives.

How can I subscribe to Alinma Investment Funds?

The Investor may purchase units from any of the Funds through Alinma Investment centers by filling out a subscription request pursuant to the terms and conditions of each Fund or through other electronic channels (i:e internet and phone). The actual value of the price of the Fund's units will be determined on the evaluation day by reference to the net value of the Portfolio or Fund's assets minus any charge and then dividing the value on the Fund's existing units. The output shall equal the unit price through which you can subscribe.