



Sher'a Fund  
Manager - 2012



MENA Sukuk  
Manager - 2013



Qatar Asset  
Manager - 2014



Best Islamic Asset  
Management Co -  
2014



Qatar Asset  
Manager - 2015

# Al Rayan GCC Fund (F)



August 2015

NAV/unit: USD 1.482

Performance YTD: -3.8%

**Overview:** August began quietly for global markets. However concerns about the Chinese economy mounted following weak economic data and starting 18th August, Chinese equities plunged 26% in just 7 days. Over the same period US and European equities dropped 11% and panic spread across asset classes. Emerging market currencies, especially of China's key trading partners, fell 3-6% against the US Dollar. Despite heavy falls in July, commodities slipped further in August: ethylene -10%; steel -6%; sugar -4%. Brent crude was volatile, beginning the month at \$52, falling to \$42 and ending at \$54. Despite the panic, US 10 year Treasury yields ended +4bp at 2.22% with investors eyeing the September 17th FOMC meeting.

GCC equities began August negatively on weak oil but selling intensified on the collapse in Chinese equities. Saudi Arabia plunged 17% as retail investors panicked while Dubai and Abu Dhabi were down 12% and 7% respectively. Qatar, having fallen 12% mid-month, ended August down just 2%. GCC sukuk were volatile, rising early in the month before falling more than 1% and ending -0.3%.

Ezdan Holding Group, Nakheel 2016 and SOQ 2023 helped the Fund most in August while Aldrees Petroleum & Transport Co, Najran Cement and Mouwasat Medical Services Co were key laggards.

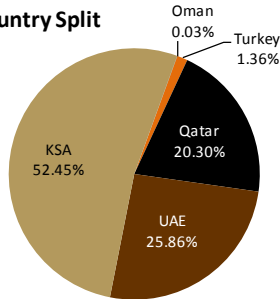
**Outlook:** The short term outlook for oil remains uncertain but we believe governments in our key markets of Saudi Arabia, Qatar and the UAE remain committed to social and physical infrastructure projects which, in turn, will support private-sector led growth. We cannot predict the future but the fund's best months have followed those when the market has fallen sharply.

## Fund Facts

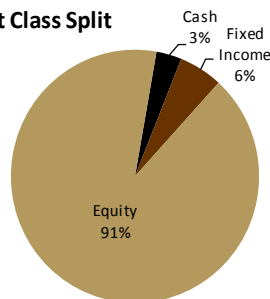
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
<b>Subscription Fees</b>	up to 1%
<b>Management Fees</b>	1.25% pa
<b>Performance Fees</b>	20% of NAV increase greater than 24%, over 2-years
<b>Lock-in period</b>	Six months
<b>Fund Duration</b>	Open-ended
<b>Founder</b>	Masraf Al Rayan QSC
<b>Fund Manager</b>	Al Rayan Investment LLC
<b>Regulator</b>	Qatar Central Bank
<b>Custodian</b>	HSBC Bank Middle East
<b>Auditor</b>	KPMG
<b>Bloomberg Ticker</b>	ARYGCCF QD
<b>Lipper ID</b>	68048992
<b>Net Asset Value (NAV)</b>	USD18.5 m

## Investments

### Country Split



### Asset Class Split



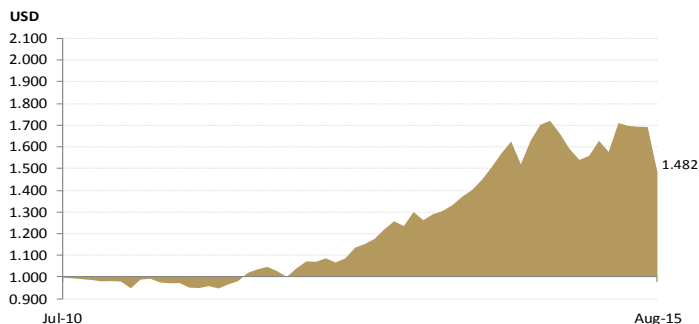
## Fund Indicators (Equity)

	August 2015
P/E 2016E	14.1x
P/BV 2016E	3.0x
Dividend Yield 2016E	5.1%
ROE 2016E	23.4%
Weighted Market Cap (USD)	5.3bn

## Fund Indicators (Fixed Income)

	August 2015
Average Maturity (Years)	4.7
Average Yield to Maturity	4.2%

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Mouwasat Medical Services Co	KSA	Equity	8.8%
Almarai Co Ltd	KSA	Equity	7.5%
Barwa Real Estate Co	Qatar	Equity	7.2%
Dubai Islamic Bank	UAE	Equity	6.3%
Najran Cement Co	KSA	Equity	6.2%

	Last 1mth	Last 3mth	2010	2011	2012	2013	2014	Since Inception
Return	-12.4%	-12.7%	-1.9%	-1.5%	12.4%	26.2%	12.3%	48.2%