



Qatar Equities Manager - 2015



Regional Fund Performance - 2015



GCC Fund >\$50m - 2016



Qatar Asset Manager - 2016



Qatar Asset Manager - 2016

Al Rayan GCC Fund (F)



December 2016

NAV/unit: USD 1.314

Performance YTD: **-1.9%**

Overview: Global equities enjoyed December with developed markets buoyed by US and European economic data and the US election: S&P 500 +2%, Europe +6%. 10-year US Treasury yields rose further, ending at 2.45% (+7bp). This was after US interest rates were raised 0.25%, as expected, to 0.75%. Expectations of higher US growth and interest rates led the USD up another 1-2% against most major currencies; exceptions were the oil sensitive Russian Ruble (-5%) and Brazilian Real (-4%). On expected production cuts, Brent crude continued its rise, +8% to \$56.8 (+23% in 2016), while gold lost 2% to \$1,153 (+8% in 2016).

GCC equities were lifted by the move in oil, with Qatar catching up recent underperformance (+6.6%), while Abu Dhabi (+5.5%), Oman (+5.4%), Dubai (+5.1%) and Saudi (+3%) all strengthened. For the year, Dubai led (+12%), followed by Oman (+7%) and Abu Dhabi (+5.6%). The holiday period saw one regional fixed income issue, an IPIC \$700m, 5 year bond. GCC sukuk returned 0.7% in December.

Arabian Shield Cooperative Insurance Co, Industries Qatar and Mouwasat Medical Services Co helped the fund most during the month, while Bupa Arabia, Saudi Basic Industries Corp and DXB Entertainments were key laggards.

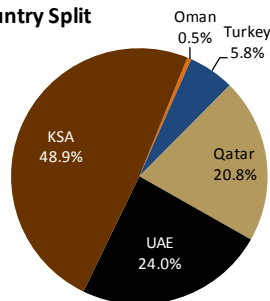
Outlook: With a more positive outlook for oil, GCC prospects for 2017 are brighter than many expected just a few months ago but challenges also remain as governments seek to rationalise spending. Q4 results will be closely watched as always, especially in Saudi, to study the impact of recent government salary cuts.

Fund Facts

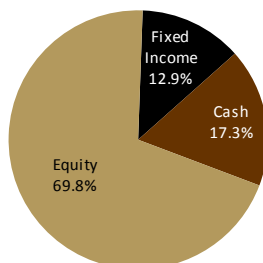
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	20% of NAV increase greater than 24%, over 2-years
Lock-in period	Six months
Fund Duration	Open-ended
Founder	Masraf Al Rayan QSC
Fund Manager	Al Rayan Investment LLC
Regulator	Qatar Central Bank
Custodian	HSBC Bank Middle East
Auditor	KPMG
Bloomberg Ticker	ARYGCCF QD
Lipper ID	68048992
Net Asset Value (NAV)	USD 14.8 m

Investments

Country Split



Asset Class Split



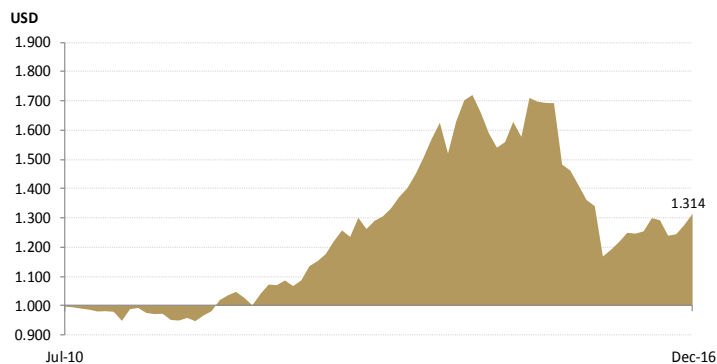
Fund Indicators (Equity)

Fund Indicators (Equity)	December 2016
P/E 2017E	14.5x
P/BV 2017E	2.3x
Dividend Yield 2017E	4.1%
ROE 2017E	14.8%
Weighted Market Cap (USD)	16.2bn

Fund Indicators (Fixed Income)

Fund Indicators (Fixed Income)	December 2016
Average Maturity (Years)	7.0
Average Yield to Maturity	4.9%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Saudi Basic Industries Corp	KSA	Equity	8.0%
Mouwasat Medical Services Co	KSA	Equity	7.9%
Industries Qatar QSC	Qatar	Equity	6.9%
Al Rajhi Bank	KSA	Equity	6.4%
DIB Tier 1 Sukuk Ltd	UAE	Fixed Income	6.3%

Performance

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	2016	Inception
3.0%	6.1%	-1.9%	-1.5%	12.4%	26.2%	12.3%	-13.0%	-1.9%	31.4%