



Qatar Asset Manager - 2018



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Best ETF Issuer - 2019

Al Rayan GCC Fund (F)



July 2019

NAV/unit: USD 1.651

Performance YTD: +15.6%

Overview: July saw mixed returns across global assets ahead of US and European interest rate decisions and an ailing world economy. US interest rates were cut 0.25% on 31st July. US equities rose further, but at a slower pace (+1.3%), while Europe was broadly flat. EM equities were weaker: India -5%, China -2%. The US Dollar was 1-2% stronger against key currencies; the British Pound plunged 4% on worries about new PM Johnson's plan for a 'hard Brexit' in October 2019. 10-year US Treasury yields remained flat ahead of the FOMC meeting. Silver (+6%) and gold pushed higher (+1% to \$1,424) however Brent crude (-2% to \$65.1) and other key commodities were lower: ethylene -11%, Henry Hub gas -6% and copper -1%.

July was good for UAE and Kuwait equities: Dubai was the star (+10%), Abu Dhabi rose 7% while Kuwait +6%. Qatar was muted (+0.5%) while Saudi (-1%) and Oman (-3%) fell again. Saudi earnings disappointed and investors rotated to value in the UAE. Regional sukuk performed in line with EM/ global bonds, +1.5%. \$7.2bn of debt (7 conventional and 2 sukuk) was issued in the Gulf during July.

Kuwait Finance House, Medicare Group and Mabane Co helped the fund most during the month, while DP World Ltd, Integrated Holding Co and Gulf Warehousing were key laggards.

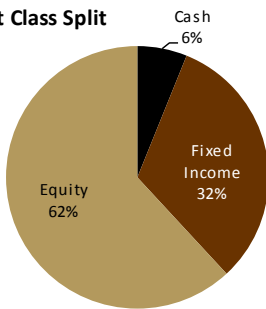
Outlook: We expect net foreign inflows into Saudi Arabia as investors position for the second tranche of MSCI. Other regional markets could see net outflows from both active and passive investors due to the overhang of global issues and regional geopolitics.

Fund Facts

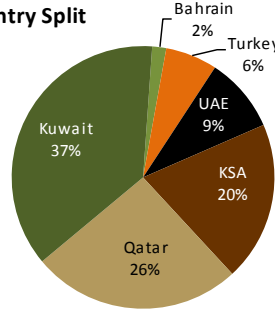
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	20% of NAV increase above 24%, over 2-years
Lock-in period	Six months
Fund Duration	Open-ended
Founder	Masraf Al Rayan QPSC
Fund Manager	Al Rayan Investment LLC
Regulator	Qatar Central Bank
Custodian	HSBC Bank Middle East
Auditor	Deloitte & Touche
Bloomberg/ Lipper	ARYGCCF QD/ 68048992
Net Asset Value (NAV)	USD 15.7 m

Investments

Asset Class Split



Country Split



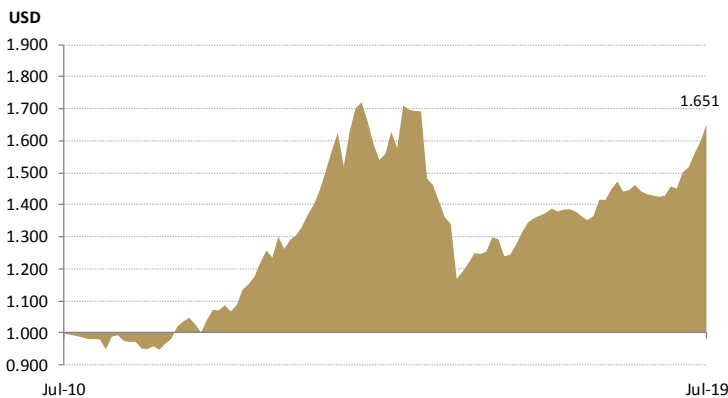
Fund Indicators (Equity)

Indicator	July 2019
P/E 2019E	18.1x
P/BV 2019E	2.4x
Dividend Yield 2019E	2.9%
ROE 2019E	11.8%
Weighted Market Cap (USD)	5.8bn

Fund Indicators (Fixed Income)

Indicator	July 2019
Weighted maturity (years)	3.6
Weighted yield to maturity	6.8%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Dar Al Arkan 2023	KSA	Fixed Income	12.9%
Kuwait Finance House	Kuwait	Equity	11.5%
Boubyan Bank	Kuwait	Equity	11.3%
Medicare Group	Qatar	Equity	8.6%
Ezdan 2021	Qatar	Fixed Income	5.9%

Performance[#] (since inception 65.1%)

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	2016	2017	2018
3.3%	8.8%	-1.9%	-1.5%	12.4%	26.2%	12.3%	-13.0%	-1.9%	3.9%	4.6%

[#] Performance is calculated net of expenses