



Shar'i'a Fund Manager
of the Year 2012



MENA Sukuk Manager
of the Year 2013



Qatar Asset Manager -
2014

Al Rayan GCC Fund (F)



May 2014

NAV/unit: USD 1.625

Performance YTD: **18.5%**

Overview: May was a positive month for most asset classes with the exception of commodities. Global equities continued their upward move both side of the Atlantic rose 2% (S&P 500 hit a new high) while emerging markets rallied on post-election optimism in Ukraine and India. 10-year US Treasuries rallied as yield dropped to an 11-month low of 2.48%, from 2.65%. The US Dollar also gained, more than 1% against most developed currencies but weakened against emerging market currencies. Commodities were mixed: wheat (-12%), Henry Hub gas (-6.5%), gold (-3.7% to \$1,246) and urea (-3.1%) fell while ethylene (+4.3%) copper (+3.1%) and aluminum (+2.4%) were higher. Brent crude (+1.7%) to \$109.4.

All GCC equity markets continued to move higher in May with Qatar (+8%) taking the lead, followed by Abu Dhabi (+4.1%) and Saudi Arabia (+2.4%). The move in Qatar and Abu Dhabi was on account of the reclassification from MSCI FM to EM. The bond market remains well supported by the pressure on US Treasury yields and liquidity from a number of bonds that have matured. Issuance was mostly in sukuk including Investment Corporation of Dubai 2020, Dar Al Arkan 2019 and Bank Saudi Fransi 2019.

Barwa Real Estate, Dubai Islamic Bank and Emaar Properties helped the fund most in May while Shaker, Aldrees Petroleum and Savola were key laggards.

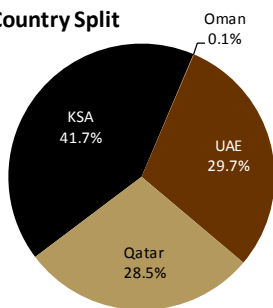
Outlook: The long awaited MSCI EM upgrade is behind us and summer is around the corner. We expect some profit taking in our focus markets despite the fact that economic outlook and business optimism remains strong. Profit taking will likely provide opportunities to rebalance our positions.

Fund Facts

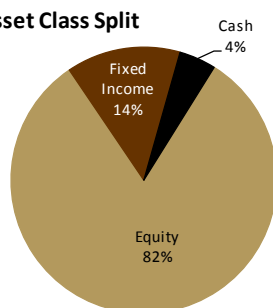
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum initial investment	
- Individual	USD 30,000
- Institution	USD 300,000
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	20% of NAV increase greater than 24%, over 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 23.1 m

Investments

Country Split



Asset Class Split



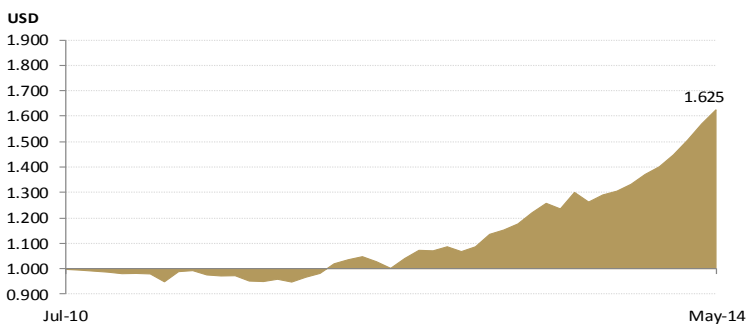
Fund Indicators (Equity)

Indicator	May 2014
P/E 2014E	15.5x
P/BV 2014E	3.2x
Dividend Yield 2014E	4.4%
Weighted Market Cap (USD)	8.2bn

Fund Indicators (Fixed Income)

Indicator	May 2014
Average Maturity (Years)	3.0
Average Yield to Maturity	5.9%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	Holding
Emaar Properties PJSC	UAE	Equity	10.1%
Industries Qatar QSC	Qatar	Equity	7.8%
Barwa Real Estate	Qatar	Equity	6.7%
Mouwasat Medical Services	KSA	Equity	6.4%
Dubai Islamic Bank	UAE	Equity	5.2%

	1 mth	3 mth	2010	2011	2012	2013	Since Inception
Performance	3.5%	12.2%	-1.9%	-1.5%	12.4%	26.2%	62.5%

AL RAYAN INVESTMENT LLC (Authorised by QFCRA), Grand Hamad Street, PO Box 28888, Doha, Qatar

+974 4425 3333

ari.info@alrayan.com

Disclaimer: Past performance is not an indication of future results. The value of investments can go up as well as down. Investors should consider carefully information contained in the Fund prospectus, including investment objectives, risks, charges and expenses. Please read the prospectus carefully before investing. An investment is neither insured nor guaranteed by the Bank nor any other government agency. Although the Fund seeks to preserve and grow the value of your investment, it is possible to lose money by investing in the Fund. If in doubt please seek independent professional financial advice.