

# Al Rayan GCC Fund (F)

November 2011

AuM: USD 9.89 million

NAV/unit: USD 0.947

**Overview:** November saw improving data from the US trumped by a spread of the Eurozone crisis and further downgrades by rating agencies. But a coordinated move by key global central banks to ease US dollar liquidity sparked a risk rally: eg. S&P 500 +7.6% last 3 days to end -0.5% on the month. As CDS widened, USD benefitted further from a 'fright' to quality. Gold (\$1,745) and Brent (\$110.5) ended +1.5%. Overall, Emerging Market risk assets underperformed as worries grow about the impact to their 2012 outlook from the industrialised world's troubles.

GCC equities were subdued with Bahrain (+1.3%) and Qatar (flat) leading the way; UAE markets lagged falling more than 2%. GCC sukuk suffered, partly by the risk-off mood for most of the month as well the very considerable sovereign and corporate issuance.

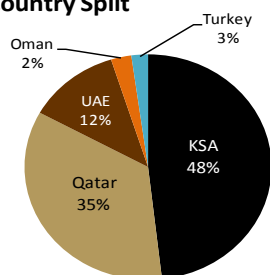
**Outlook:** As we have said before, elevated volatility is here to stay and headlines will drive sentiment and markets (up and down). The developed world debt situation will not be resolved easily or quickly and the longer it continues the greater the impact to global growth.

Countries best able to buffer themselves from a global slowdown and credit retrenchment will be winners. We continue to seek mismatches between medium-term fundamentals and current valuations.

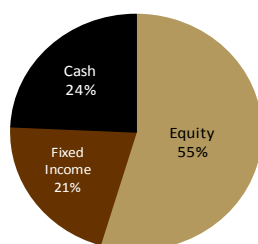
Fund Facts	
Asset class	Shari'a compliant, GCC listed equities and fixed-income instruments
Investment Objective	3-5 year capital appreciation
Minimum initial investment	
- Individual	USD 30,000
- Institution	USD 300,000
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	10% of NAV increase greater than 36%, over 3-years
Redemption Fees	0.25%
Lock-in period	18 months
Fund Duration	Open-ended
Founder	Masraf Al Rayan QSC
Fund Manager	Al Rayan Investment LLC
Regulation	Qatar Central Bank

## Investments

### Country Split



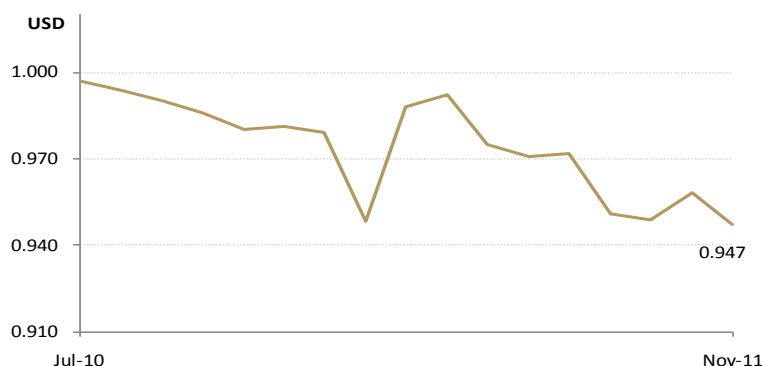
### Asset Class Split



Fund Indicators (Equity)	Nov 30
P/E 2011E	9.9x
P/BV	2.0x
Dividend Yield	4.6%
Average Market Cap (USD)	6.2bn

Fund Indicators (Fixed Income)	Nov 30
Average Maturity (Years)	1.3
Average Yield to Maturity	12.4%

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	Holding
Dar Al Arkan 2012	KSA	Fixed Income	13.8%
Barwa Real Estate	Qatar	Equity	9.7%
Ethad Etisalat	KSA	Equity	8.9%
Industries Qatar	Qatar	Equity	6.0%
Almarai Co	KSA	Equity	5.9%