



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)



November 2015

NAV/unit: USD 1.361

Performance YTD: **-11.6%**

**Overview:** Resilience was the theme for global equities during November, as equities absorbed volatility emanating from an expected interest rate increase from the US Federal Reserve. US equities closed flat (+0.1%), while European stocks gained 3% on expectation of further easing from ECB. Emerging market equities were a mixed bag. The USD strengthened 2-4% against major currencies and US 10-year Treasury yields gained another 7bp to 2.21% on increased expectations of a December US rate hike. With some exceptions, USD strength hurt commodities: Brent crude -11% to \$45, gold -7% to \$1,064, wheat -9% and copper -12% while natural gas gained 7% and ethylene increased 22%.

GCC equities were also mixed, as Qatar (-13%) and Dubai (-8.5%) suffered MSCI EM related outflows on the last day of the month. Saudi Arabia gained 1.6% as local institutions continued to buy. November saw conventional bond issuance from International Bank of Qatar, Commercial Bank of Dubai and a dual-tranche Bahrain sovereign issue, there was no sukuk issuance from the GCC during the month. The GCC sukuk market returned -1.28% during November.

Fawaz Abdulaziz Al Hokair & Co, Najran Cement Co and Savola Group helped the Fund most in the month while Aldrees Petroleum & Transport Co, Medicare Group and Barwa Real Estate Co were key laggards.

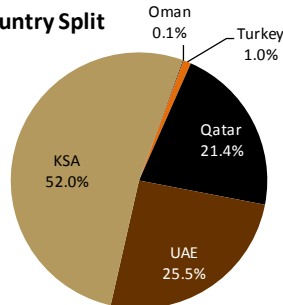
**Outlook:** During December, GCC governments are set to finalise their 2016 budgets which should provide some clarity on spending plans and the fate of subsidies. Further, we are approaching dividend season where GCC markets have historically outperformed. These factors will certainly help shape the market in the coming months.

## Fund Facts

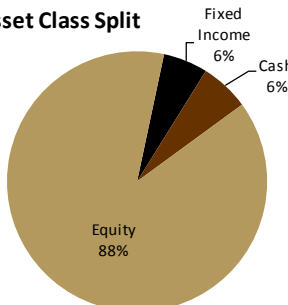
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
<b>Subscription Fees</b>	up to 1%
<b>Management 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>	USD17.2 m

## Investments

### Country Split



### Asset Class Split



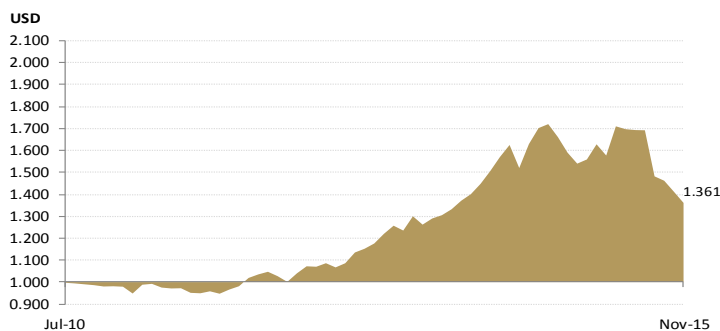
## Fund Indicators (Equity)

	November 2015
P/E 2016E	13.6x
P/BV 2016E	2.8x
Dividend Yield 2016E	5.0%
ROE 2016E	21.8%
Weighted Market Cap (USD)	4.7bn

## Fund Indicators (Fixed Income)

	November 2015
Average Maturity (Years)	4.0
Average Yield to Maturity	4.4%

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Mouwasat Medical Services Co	KSA	Equity	8.4%
Almarai Co Ltd	KSA	Equity	8.2%
Barwa Real Estate Co	Qatar	Equity	6.5%
Dubai Islamic bank	UAE	Equity	5.9%
Aldrees Petroleum & Transport Co	KSA	Equity	5.8%

	Last 1mth	Last 3mth	2010	2011	2012	2013	2014	Since Inception
Return	-3.6%	-8.2%	-1.9%	-1.5%	12.4%	26.2%	12.3%	36.1%