



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)



November 2016

NAV/unit: USD 1.276

Performance YTD: -4.8%

**Overview:** Surprise US election results in November saw equity markets initially fall before recovering and posting strong returns, as investors hoped US tax cuts and infrastructure spending will boost economic growth, S&P 500 +3.4% and Europe +1%. 10-year US Treasury yields rose on higher growth and inflation expectations (+55bps to 2.38%), and US Dollar strengthened +3-6% against most major global currencies. Commodities were mixed, as Brent crude gained 5% to \$51.8 after OPEC agreed to a 4.6% production cut, while gold lost 8% to \$1,175.

In the GCC, Saudi equities bounced hard (+16.4%) on stronger oil and an improvement in local banking sector liquidity. Elsewhere, Dubai (+0.9%) and Abu Dhabi (+0.2%) gained while Qatar lost (-3.7%) on very weak liquidity post FTSE EM flows. After October's record issue from Saudi, November saw a more muted \$4bn of regional fixed income issuance: Etihad (\$1.5bn sukuk) and Kuwait's Equate Petrochemical (5- and 10 year). GCC sukuk returned -1.06% in November.

Saudi Basic Industries Corp, Al Rajhi Bank and Aldrees Petroleum and Transport Services Co helped the Fund most in the month while Aldar Properties PJSC, DXB Entertainments PJSC and DP World Ltd were key laggards.

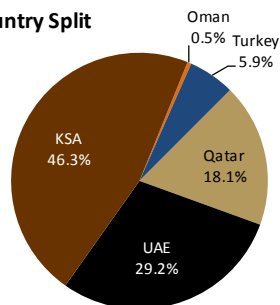
**Outlook:** The almost doubling of oil prices this year is extremely positive for the GCC. The backdrop for 2017 has brightened considerably but challenges must not be underestimated.

## Fund Facts

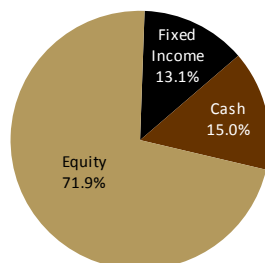
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
<b>Subscription Fees</b>	up to 1%
<b>Management 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>	USD 14.5 m

## Investments

### Country Split



### Asset Class Split



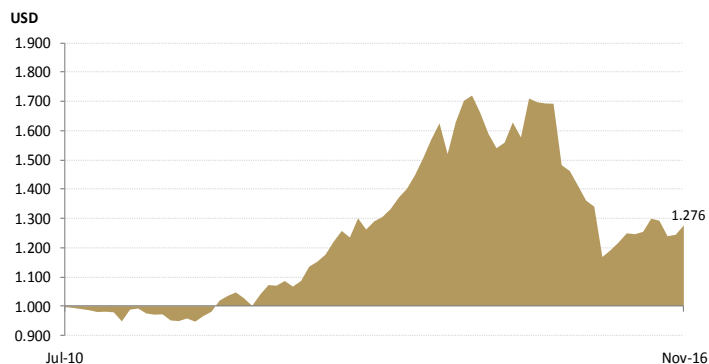
## Fund Indicators (Equity)

Indicator	November 2016
P/E 2017E	12.8x
P/BV 2017E	2.3x
Dividend Yield 2017E	4.0%
ROE 2017E	13.7%
Weighted Market Cap (USD)	16.5bn

## Fund Indicators (Fixed Income)

Indicator	November 2016
Average Maturity (Years)	7.0
Average Yield to Maturity	5.0%

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Saudi Basic Industries Corp	KSA	Equity	8.4%
Mouwasat Medical Services Co	KSA	Equity	8.4%
DXB Entertainments PJSC	UAE	Equity	8.1%
Al Rajhi Bank	KSA	Equity	6.5%
DIB Tier 1 Sukuk Ltd	UAE	Fixed Income	6.4%

## Performance

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	Inception
2.6%	-1.2%	-1.9%	-1.5%	12.4%	26.2%	12.3%	-13.0%	27.6%