



Al Rayan GCC Fund



April 2023

NAV/unit: QAR 2.449

Performance YTD: +10.4%

Overview: April was sequentially positive, with US equities +1.5% and Europe +2%, as investors embraced swift intervention from US authorities after several banks failed. Large EM equity markets gained 2-4%. Despite intra-month volatility of US Treasury yields, 10-year yields ended the month -5bps, at 3.42% and the US Dollar fell 2% vs major currencies. Commodities were mixed with urea +9%, gas (Henry Hub) +8%, Brent crude +1% (\$80.3), gold +1% (\$1,990), while copper, steel and aluminium fell 2-4%.

Gulf equities marched higher with Saudi +7%, Dubai and Abu Dhabi +4% and Kuwait +1%. Qatar was flat and Oman dropped 3%. Of \$5.9bn regional fixed income issuance in April, \$3.4bn was sukuk (Saudi Electricity, Kingdom of Bahrain and Damac). Within sukuk, average spreads were 2bp tighter, average yield to maturity increase 2bp to 5.36%, and sukuk returned +1% over the month.

Al Hammadi Holding, ADNOC Drilling and Saudi Airlines Catering helped the fund most in April; Arabian Drilling, Alamar & Al Anwar Ceramic Tiles were key laggards.

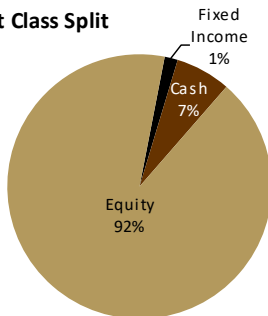
Outlook: We expect rate hikes to continue on the back of strong global economic indicators which would dent the profitability of companies with higher leverage. We expect markets to remain volatile and remain unenthusiastic about banks (the largest sector) and most commodity stocks. However, we find ample opportunities across our universe and continue to build on exposure to secular growth trends across the region.

Fund Facts

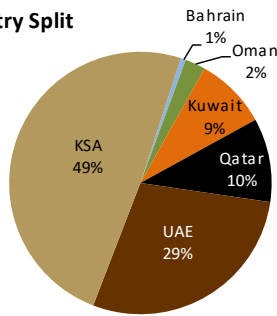
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	20% of NAV increase above 24%, over 2-years
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	PricewaterhouseCoopers
Bloomberg/ Lipper	ARYGCCQ QD/ 68048996
Net Asset Value (NAV)	QAR 362.4m
Dividend Distribution	Semi-annual (January & July)

Investments

Asset Class Split



Country Split



Fund Indicators (Equity)

April 2023

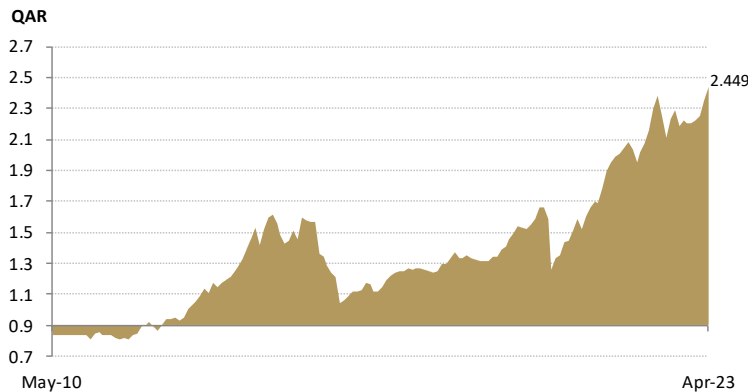
P/E 2023E	16.8x
P/BV 2023E	5.5x
Dividend Yield 2023E	3.1%
Weighted Market Cap (QAR)	17.4bn

Fund Indicators (Fixed Income)

April 2023

Weighted yield to maturity	5.7%
Weighted maturity (Years)	21.8

Net Asset Value/Unit (adjusted for dividends)



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Emaar Properties	UAE	Equity	6.1%
Al Hammadi Holding	KSA	Equity	5.9%
Saudi Airlines Catering	KSA	Equity	5.5%
ADNOC Drilling	UAE	Equity	5.3%
Arabian Drilling	KSA	Equity	5.3%

Performance net of fees

1 month	3 months	Inception	2018	2019	2020	2021	2022
3.2%	9.5%	169.3%	4.9%	23.3%	0.2%	19.7%	11.5%