



Qatar Asset  
Manager - 2019



Best ETF Issuer -  
2019



Qatar Asset  
Manager - 2020

# Al Rayan GCC Fund

Previously Al Rayan GCC Fund (Q)



الريان للاستثمار  
AL RAYAN INVESTMENT

December 2020

NAV/unit: QAR 1.825

Performance YTD: +0.2%

**Overview:** Global markets were in a festive mood in December remaining optimistic of a more normal 2021 with numerous Covid-19 vaccines approved being globally. European stocks rose 2.5% over the month (-4% YTD), while US equities gained 4% (+16% YTD). Emerging market equities +7% in December (+16% YTD). 10-year US Treasury yields increased 8bp to 0.92% (1.92% at end-2019). Commodities joined the party in December with ethylene +42% (+38% YTD), steel +20% (+74% YTD), Brent crude +8% to \$51.8 (-14% YTD) and gold +7% to \$1,898 (+25% YTD). Henry Hub Gas tanked 16% to \$2.4. US Dollar weakness continued, down 2-3% against both developed and EM currencies in December (-7% YTD).

Gulf equities added to last month's performance, with Dubai +3% (-10% YTD), Qatar and Abu Dhabi almost +2% leaving them flat over 2020. Kuwait +0.7% (-13% YTD) while Saudi lost 1% (+4% YTD). During December, regional fixed income issuance was \$1.25bn from two conventional bonds. Sukuk returned +1.0% in December (+6.6% YTD).

Yanbu Cement, Saudi Ceramic Co and Mabane Co helped the fund most during the month while United Development Co, Shaker and Boubyan Bank were key laggards.

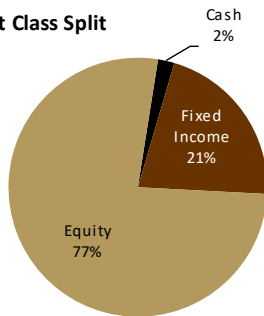
**Outlook:** We expect Q4 2020 results to be mixed with particular strength for petrochemicals on a YoY basis. Brent back above \$50 is a positive backdrop for government spending in the region. We continue to take advantage of secular trends in the region across the UAE, Qatar and Saudi Arabia.

## Fund Facts

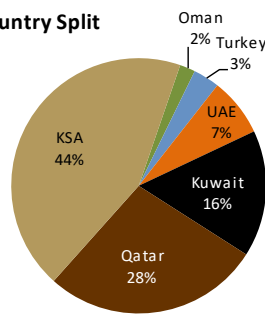
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
<b>Subscription Fees</b>	up to 1%
<b>Management Fees</b>	1.25% pa
<b>Performance Fees</b>	20% of NAV increase above 24%, over 2-years
<b>Fund Duration</b>	Open-ended
<b>Founder</b>	Masraf Al Rayan QPSC
<b>Fund Manager</b>	Al Rayan Investment LLC
<b>Regulator</b>	Qatar Central Bank
<b>Custodian</b>	HSBC Bank Middle East
<b>Auditor</b>	Deloitte & Touche
<b>Bloomberg/ Lipper</b>	ARYGCCQ QD/ 68048996
<b>Net Asset Value (NAV)</b>	QAR 254.8m

## Investments

### Asset Class Split



### Country Split



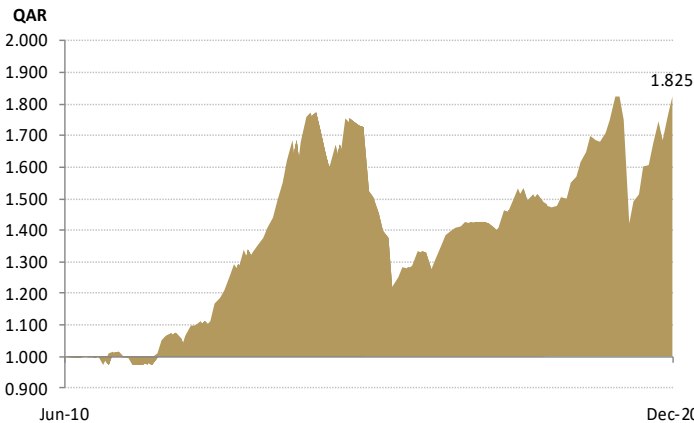
### Fund Indicators (Equity)

Indicator	December 2020
P/E 2020E	22.9x
P/BV 2020E	2.4x
Dividend Yield 2020E	4.4%
ROE 2020E	8.0%
Weighted Market Cap (QAR)	15.8bn

### Fund Indicators (Fixed Income)

Indicator	December 2020
Weighted yield to maturity	7.5%
Weighted maturity (Years)	2.2

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Saudi Ceramic Co	KSA	Equity	8.1%
Boubyan Bank	Kuwait	Equity	7.9%
Dar Al Arkan 2025	KSA	Fixed Income	7.5%
Ezdan 2021	Qatar	Fixed Income	6.9%
Mabane Co	Kuwait	Equity	6.3%

## Performance<sup>#</sup> (since inception 82.5%)

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
3.1%	4.6%	0.1%	-0.6%	12.0%	26.5%	12.6%	-13.2%	-2.0%	4.4%	4.9%	23.3%

<sup>#</sup> Performance is calculated net of fees