

December 2023

NAV/unit: QAR 2.596

Performance YTD: +24.5%

**Overview:** A very strong rally across global markets was driven by the US central bank indicating interest rates would likely to be cut by 0.75% during 2024. US and European equities each rallied 4% in December taking 2023 returns to +26% and +17%, respectively. In EM, India and Brazil gained 8% and 5%, while Russia dropped 3%. 10-year US Treasury yields dropped 45bp over the month to 3.88%, while the US\$ fell 1-2% against major currencies. Commodities were mixed as gold marched 1% higher to \$2,063, aluminium +9%, and steel +1%. Urea plummeted 16%, Gas (Henry Hub) also dropped 6%, while the fall in Brent crude continued (-4% to \$77), amid decreased Middle East geopolitical risk and concerns of over-supply.

Despite the drop in crude oil, GCC equities were back in play in December, with Qatar +8%, Saudi Arabia +7%, Kuwait +3%, Dubai and Bahrain +2% while Abu Dhabi was flat. For 2023, Dubai +22%, Saudi +14%, Qatar +1%, Abu Dhabi -7% and Kuwait -8%. There was no regional fixed income issuance during the month. Within sukuk, average spreads were 6bp tighter, average yield to maturity fell 0.5% to 5.46%, and sukuk returned +2.41% over the month (+5.8% for 2023).

Aldrees Petroleum Co, Saudi Catering and Arabian Contracting helped the fund most in December; Jahez Co, Dubai Taxi Co and Burjeel Holding were key laggards.

**Outlook:** Saudi Arabia and UAE continue to show strong performance and we see several opportunities in high growth sectors. We continue to invest in secular growth opportunities in sectors including tourism, health, education and hydrocarbon exploration.

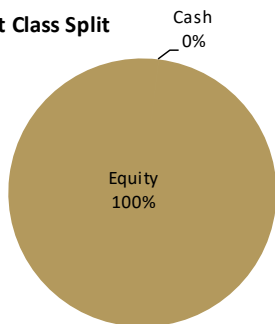
## Fund Facts

<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Individual (Minimum investment)</b>	QAR 35,000 initially, QAR 5,000 thereafter
<b>Institution (Minimum investment)</b>	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>	PricewaterhouseCoopers
<b>Bloomberg/ Lipper</b>	ARYGCCQ QD/ 68048996
<b>Net Asset Value (NAV)</b>	QAR 391.8m
<b>Dividend Distribution</b>	Semi-annual (January & July)

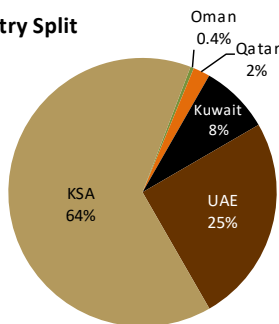
The fund declared a dividend to unitholders (QAR 0.080/unit) for the second half of 2023 to be paid in January 2024. This takes the dividend for 2023 to QAR 0.156/unit, equivalent to 6% of NAV.

## Investments

### Asset Class Split



### Country Split



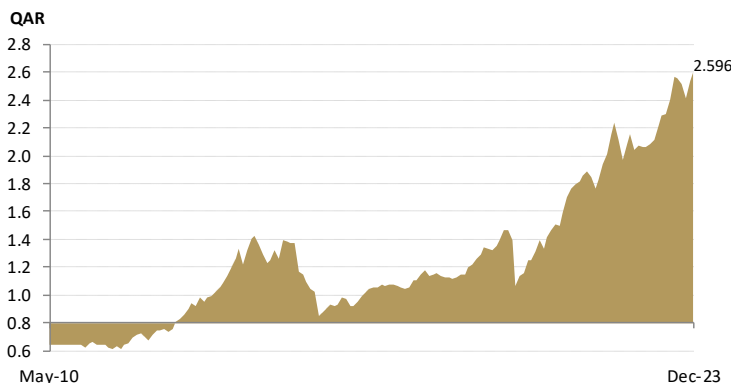
### Fund Indicators (Equity)

	December 2023
P/E 2023E	27.7x
P/BV 2023E	5.4x
Dividend Yield 2023E	2.3%
Weighted Market Cap (QAR)	24.5bn

### Fund Indicators (Fixed Income)

	December 2023
Weighted yield to maturity	-
Weighted maturity (Years)	-

## Net Asset Value/Unit (adjusted for dividends)



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Al Hammadi Holding	KSA	Equity	5.9%
Saudi Airlines Catering	KSA	Equity	5.8%
Emaar Development	UAE	Equity	5.3%
Ali Alghanim Sons Automotive Co	Kuwait	Equity	4.8%
ADNOC Drilling Co	UAE	Equity	4.8%

## Performance net of fees

1 month	3 months	Inception	2018	2019	2020	2021	2022
5.6%	6.6%	203.5%	4.9%	23.3%	0.2%	19.7%	11.5%