

January 2022

NAV/unit: QAR 2.203

Performance YTD: +5.1%

**Overview:** A torrid start for many global assets in January. An abrupt shift in messaging by the US Federal Reserve led to the bond market pricing in five increases in US interest rates during 2022. This led to 4-5% drops in US and European equities while in EM, Brazil rose 7% but Russia and China fell 8-10%. Russia was hurt by the escalating war of words over Ukraine. US 10-year Treasury yields soared to 1.78% (+0.27% over the month) and the US Dollar appreciated around 1.5% against major currencies. Brent crude surged 15% (\$89.3), aluminium +7%, but US and European gas spiked 50% and 20% respectively. Both gold (\$1,797) and copper were 2% lower.

Helped by oil, Gulf equity markets started 2022 very strongly: Saudi +9%, Qatar +8%, Kuwait +5% and Abu Dhabi 3% respectively; UAE markets lagged after missile attacks on Abu Dhabi. During the month, two sukuk were issued: Saudi National Bank (\$750m) and the Islamic Republic of Pakistan (\$1bn); sukuk returned -1.2%.

Saudi Arabian Mining Company, Qatar Aluminium Manufacturing Company, and Fertiglobe helped the fund most in January; Al Yah Satellite, SABIC Agri Nutrients Company and Emaar Properties were key laggards.

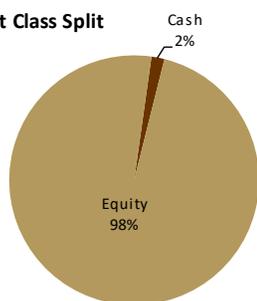
**Outlook:** Full year earnings season is ongoing and, on average, profits and dividends have been above expectations so far. We continue to expect overall dividends to be higher versus last year, which augurs well for investors seeking income. We remain optimistic, seeking to capitalize on the commodities super-cycle, post-Covid normalisation, Saudi home building and interest rate hikes. We continue to favour equities and the fund has no sukuk exposure.

## Fund Facts

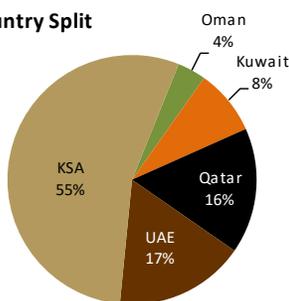
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b> - Individual - Institution	QAR 35,000 initially, QAR 5,000 thereafter QAR 350,000 initially, QAR 50,000 thereafter
<b>Subscription Fees</b>	up to 1%
<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 310.3m
<b>Dividend Distribution</b>	Semi-annual (January & July)

## Investments

### Asset Class Split



### Country Split



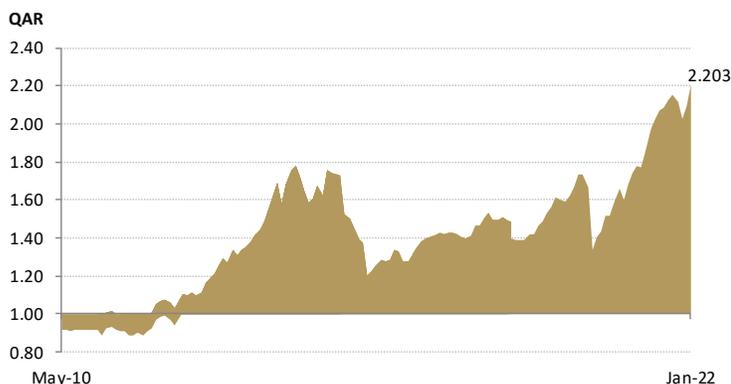
### Fund Indicators (Equity)

Fund Indicators (Equity)	January 2022
P/E 2022E	17.6x
P/BV 2022E	3.4x
Dividend Yield 2022E	2.1%
Weighted Market Cap (QAR)	52.2bn

### Fund Indicators (Fixed Income)

Fund Indicators (Fixed Income)	January 2022
Weighted yield to maturity	-
Weighted maturity (Years)	-

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



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Fertiglobe	UAE	Equity	8.0%
Leejam Sports Co	KSA	Equity	6.9%
Qatar Aluminum Co	Qatar	Equity	6.8%
Industries Qatar	Qatar	Equity	6.1%
Alinma Bank	KSA	Equity	5.4%

## Performance net of fees

1 month	3 months	Inception	2017	2018	2019	2020	2021
5.1%	4.2%	129.9%	4.4%	4.9%	23.3%	0.2%	19.7%