

# Al Rayan GCC Fund

June 2025

NAV/unit: QAR 2.621

Performance YTD: -1.1%

**Overview:** A turbulent quarter. The S&P500 dropped 10% over 2 days (one of the largest moves in 80 years) yet ended at a new high; both moves on US trade tariff news. Israel attacked Iran but the war ended within 2 weeks, and oil dropped back down. Moody's cut the US credit rating one-notch to Aa1. US equities ended +5%, Europe -1%, while China, India and Brazil returned 1%, -3% and 2%. Following a US central bank update, US Treasury yields fell 17bp to 4.23%, and the US Dollar fell again, 3% against major currencies. Most commodities rose: steel +10%, aluminium +6%, copper +4%, Brent crude +8% to \$66.7, ethylene +12%, urea +32%, and gold held steady at \$3,303.

GCC equities fared well in June, despite the escalating regional conflict late in the month. Kuwait and Dubai +4%, Qatar and Abu Dhabi +2%, Saudi +1%, while Oman dropped 1%. Fixed income issuance remained strong at \$6.3bn, of which \$4bn in sukuk: \$2.5bn Government of Turkey and \$750mn each from Qatar Islamic Bank and Dar Al Arkan (for which Al Rayan Investment was a lead manager). The remaining \$2.3bn were conventional bonds. Within sukuk, average spreads +6bp, average yield to maturity -0.11% to 5.59%, and sukuk gained 0.86% in June (+3.65% YTD).

Sustained Infrastructure, ADNOC Drilling and Middle East Specialized Cables helped the fund most in June; Integrated Holding, Talabat and Emaar Development were key laggards.

**Outlook:** Slower project awards in KSA, coupled with oil production hike from OPEC+ dampens the otherwise encouraging outlook. Kuwait and the UAE remain buoyant. We remain selective in equities and see opportunities in GCC sukuk.

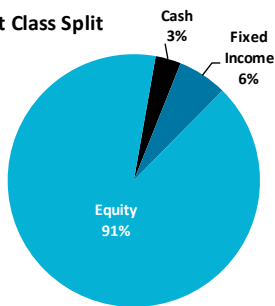
## Fund Facts

<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>	
- <b>Individual</b>	QAR 35,000 initially, QAR 5,000 thereafter
- <b>Institution</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>	AlRayan Bank (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 415.1m
<b>Dividend Distribution</b>	Semi-annual (January & July)

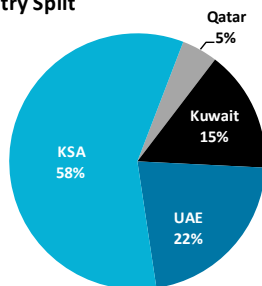
In June 2025, the fund has declared a dividend to unit-holders (QAR 0.026/unit). This was for the first half of 2025.

## Investments

### Asset Class Split



### Country Split



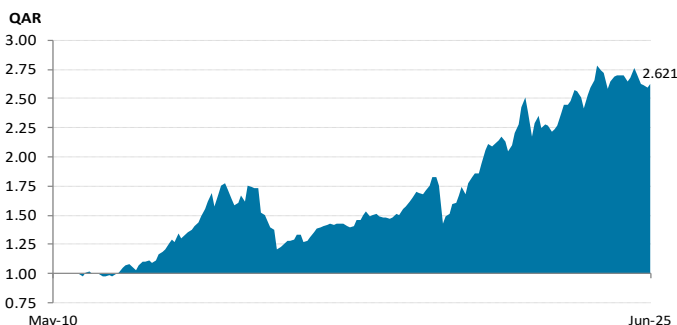
### Fund Indicators (Equity)

	June 2025
P/E 2025E	21.7x
P/BV 2025E	4.7x
Dividend Yield 2025E	2.7%
Weighted Market Cap (QAR)	47.9bn

### Fund Indicators (Fixed Income)

	June 2025
Weighted yield to maturity	8.5%
Weighted maturity (Years)	2.9

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Integrated Holding	Kuwait	Equity	5.6%
East Pipes Integrated Co	KSA	Equity	5.2%
Riyadh Cables Group Co	KSA	Equity	5.1%
Aldrees Petroleum	KSA	Equity	4.9%
Al Rajhi Bank	KSA	Equity	4.9%

## Performance net of fees

	1 mth	3 mths	Inception	2020	2021	2022	2023	2024
	2.1%	1.0%	218.1%	0.2%	19.6%	11.4%	24.3%	6.3%