



# Al Rayan GCC Fund



QATAR MANAGER OF THE YEAR

MENA ETF MANAGER OF THE YEAR

MENA SHARIA MANAGER OF THE YEAR

March 2024

NAV/unit: QAR 2.745

Performance YTD: +5.8%

**Overview:** Global equities continued to perform, as economic data remained resilient, with excitement over artificial intelligence boosting US equities; S&P500 jumped 3% and European equities +4%. In EM, Brazil dropped 1%, China and Russia returned approximately 1%, while India +2%. Expectations of US interest rate cut started to falter, which led to 10-year US Treasury yields falling 5bp over the month to 4.20%, while the US Dollar rose 1% against major currencies. Commodities were stronger overall except for Gas (Henry Hub) and ethylene -8%, respectively. Brent crude +7% to \$87, copper and aluminium return 4.5%, while gold +9% to \$2,230.

Most GCC equities ended lower, with Qatar the worst performer -6% for the month. Saudi, Dubai and Kuwait closed -1.5% each. Regional fixed income issuance was strong during Ramadan, \$5.2bn was issued in March, \$2bn sukuk (Al Rajhi Bank \$1bn and Mubadala \$1bn). The remaining \$3.2bn of bonds were issued by Doha Bank \$0.5bn, Commercial Bank of Qatar \$0.75bn, Qatar National Bank \$1bn and National Bank of Kuwait \$0.97bn. Within sukuk, average spreads were 6bp tighter, average yield to maturity was 0.13% lower to 5.62%, and sukuk returned +0.80% over the month.

Saudi Ground Services Company, ADNOC Drilling Co and Mouwasat helped the Fund most in March; Arabian Contracting Services, Lumi Rental Co and Seera Group Holding were key laggards.

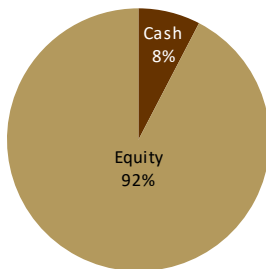
**Outlook:** Saudi Arabia has seen some profit taking of late and we deploy selectively. Despite volatility, we see numerous opportunities in high growth stocks. We seek to take advantage of secular growth opportunities in sectors including tourism, health, education, and technology.

## Fund Facts

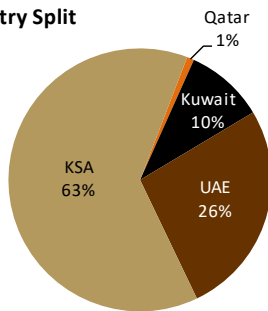
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
<b>Subscription Fees</b>	up to 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>	PricewaterhouseCoopers
<b>Bloomberg/ Lipper</b>	ARYGCCQ QD/ 68048996
<b>Net Asset Value (NAV)</b>	QAR 419.6m
<b>Dividend Distribution</b>	Semi-annual (January & July)

## Investments

### Asset Class Split



### Country Split



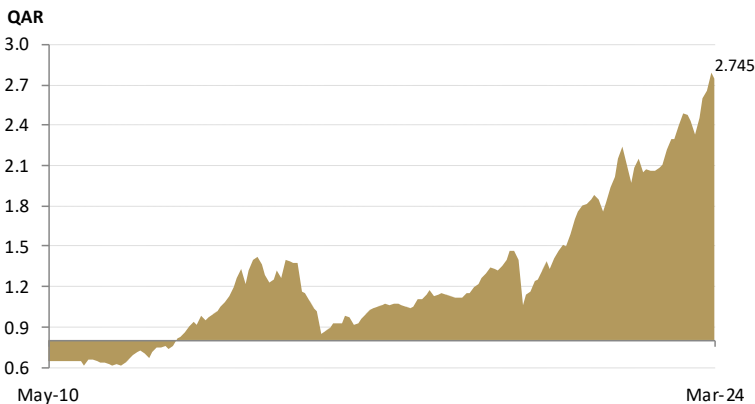
### Fund Indicators (Equity)

Indicator	March 2024
P/E 2024E	24.0x
P/BV 2024E	5.9x
Dividend Yield 2024E	2.1%
Weighted Market Cap (QAR)	28.3bn

### Fund Indicators (Fixed Income)

Indicator	March 2024
Weighted yield to maturity	-
Weighted maturity (Years)	-

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



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Emaar Development	UAE	Equity	5.8%
ADNOC Drilling Co	UAE	Equity	5.3%
Integrated Holding	Kuwait	Equity	5.2%
Saudi Ground Services Co	KSA	Equity	4.7%
Burjeel Holding Company	UAE	Equity	4.4%

## Performance net of fees

1 month	3 months	Inception	2019	2020	2021	2022	2023
-1.5%	5.8%	221.3%	23.3%	0.2%	19.7%	11.5%	24.5%