



Al Rayan GCC Fund



Oct 2022

NAV/unit: QAR 2.283

Performance YTD: +12.2%

Overview: After a terrible Q3, October was much better for many global assets on rising speculation that Western central banks may soon softening their hawkish stance. Developed and some emerging market equities bounced, with US and Europe +8% and +6% respectively. In EM, Brazil and India were 6% higher, followed by Russia +4%. China dropped 4%. US 10-year Treasury yields surged to 4.24% before closing the month at 4.05% (+22bp over the month). The US Dollar climbed 2% against major currencies. Commodities were mixed: Henry Hub gas prices plummeted another 22%, steel -6%, copper and gold (\$1,633) both -1.5%, while urea rose 8%, Brent rallied 11% (\$92.8) and ethylene soared 18%.

Gulf equity markets were mixed: Abu Dhabi +7%, Kuwait +3% and Saudi Arabia +2%, while Oman -4% and Qatar -2%. Dubai was flat. October saw \$13bn of regional fixed income issuance: Kingdom of Saudi Arabia and Government of Turkey each issued \$2.5bn of sukuk, while \$8bn were bonds. Within sukuk, average spreads widened 23bp to 188bp, average yield to maturity rose 0.4% to 6.1% and sukuk returned -1.17% in October.

Mouwasset, International Holding Co. and Emaar Properties helped the fund most in October; Jarir Marketing Co., Ooredoo & Al Anwar Ceramic Tiles Co were key laggards.

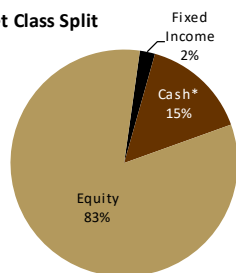
Outlook: While there have certainly been some exceptions, Q3 results so far have been relatively muted. While the global economic outlook remains uncertain, commodity focused companies will struggle. We continue to raise cash holdings, with a cautious investment approach while looking at opportunities presented by the market. We started investing in ultra-low duration sukuk.

Fund Facts

Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	20% of NAV increase above 24%, over 2-years
Fund Duration	Open-ended
Founder	Masraf Al Rayan QPSC
Fund Manager	Al Rayan Investment LLC
Regulator	Qatar Central Bank
Custodian	HSBC Bank Middle East
Auditor	Deloitte & Touche
Bloomberg/ Lipper	ARYGCCQ QD/ 68048996
Net Asset Value (NAV)	QAR 333.6m
Dividend Distribution	Semi-annual (January & July)

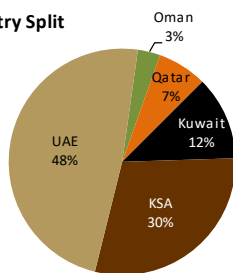
Investments

Asset Class Split



* including accrued expense

Country Split



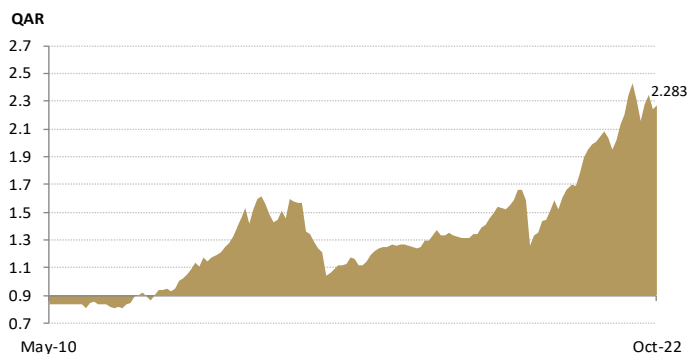
Fund Indicators (Equity)

Fund Indicators (Equity)	October 2022
P/E 2022E	22.9x
P/BV 2022E	5.9x
Dividend Yield 2022E	2.8%
Weighted Market Cap (QAR)	74.2bn

Fund Indicators (Fixed Income)

Fund Indicators (Fixed Income)	October 2022
Weighted yield to maturity	8.5%
Weighted maturity (Years)	0.4

Net Asset Value/Unit (adjusted for dividends)



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Air Arabia	UAE	Equity	8.2%
Emaar Properties	UAE	Equity	8.1%
International Holding Co	UAE	Equity	6.3%
Al Yah Satellite	UAE	Equity	5.4%
Jazeera Airways Co	Kuwait	Equity	5.4%

Performance net of fees

1 month	3 months	Inception	2017	2018	2019	2020	2021
1.4%	-0.3%	145.4%	4.4%	4.9%	23.3%	0.2%	19.7%