



Qatar Asset
Manager - 2019



Best ETF Issuer -
2019



Qatar Asset
Manager - 2020

Al Rayan GCC Fund

Previously Al Rayan GCC Fund (Q)



الريان للاستثمار
AL RAYAN INVESTMENT

September 2020

NAV/unit: QAR 1.744

Performance YTD: **-4.3%**

Overview: In September, global markets had their first breather after five months, as US equities fell 4% (+5.5% YTD) on concerns of waning momentum of economic recovery and a political impasse on further stimulus. European equities slipped 1.5% (-11% YTD) as the second wave of Covid-19 spread ahead of winter. EM equities were hit harder as China and Brazil each dropped 5% and India ended -1.5%. 10-year US Treasury yields (0.68%) were marginally lower but gold lost gloss, -4% to \$1,886 (+24% YTD). The US Dollar gained 3% vs GBP (Brexit worries). An increasingly uncertain demand outlook while OPEC+ increased production, caused nervousness for oil and Brent fell 7% (\$42.3). Other commodities: Henry Hub gas -29%, silver -17% (+30% YTD), urea -5%, while copper +12%, corn +6% and wheat +5%.

Despite a weaker backdrop, the recovery of Gulf equities continued as all markets rose. Saudi Arabia led (+4.5%), as local individual investors kept buying, following by Kuwait (+2.8%) and Qatar (+1.5%). September's regional fixed income issuance of \$8.9bn (\$5.1bn bonds, \$3.8bn sukuk) included Dubai \$2bn, Bahrain \$2bn, Saudi Electricity \$1.3bn and SABIC \$1bn. Sukuk performance was flat.

Mabane Co, Saudi Ceramic and Kuwait Finance House helped the fund most during the month while Qatar International Islamic Bank, Mezzan Holding and SECO 2043 were key laggards.

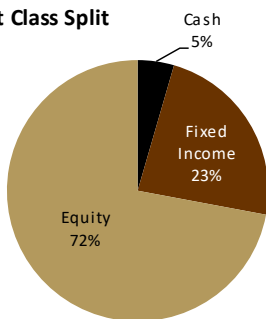
Outlook: With Kuwait's \$3bn inclusion to the MSCI EM index on 30 November, we expect Kuwait to continue outperforming the region. Elsewhere, after a robust 6-month rebound and, for now, range-bound oil prices, regional equities are likely to be swayed by Q3 results published in October and November.

Fund Facts

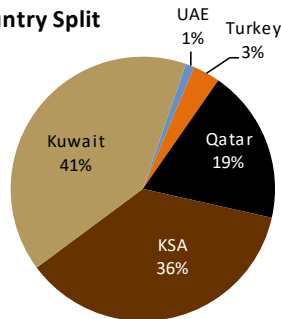
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
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 264.5 m

Investments

Asset Class Split



Country Split



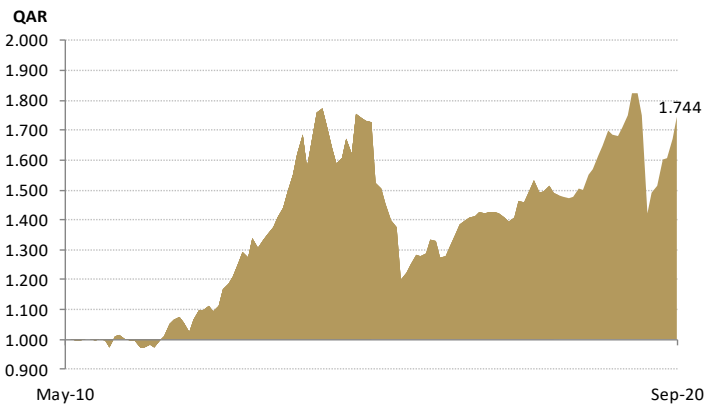
Fund Indicators (Equity)

Indicator	September 2020
P/E 2020E	27.4x
P/BV 2020E	2.3x
Dividend Yield 2020E	2.5%
ROE 2020E	8.3%
Weighted Market Cap (QAR)	22.2bn

Fund Indicators (Fixed Income)

Indicator	September 2020
Weighted yield to maturity	9.9%
Weighted maturity (Years)	4.5

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Boubyan Bank	Kuwait	Equity	13.3%
Kuwait Finance House	Kuwait	Equity	12.0%
Mabane Co	Kuwait	Equity	10.8%
Saudi Ceramic	KSA	Equity	7.1%
Dar Al Arkan 2025	KSA	Fixed Income	6.7%

Performance# (since inception 74.4%)

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
4.4%	9.0%	0.1%	-0.6%	12.0%	26.5%	12.6%	-13.2%	-2.0%	4.4%	4.9%	23.3%

Performance is calculated net of fees

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Disclaimer: Past performance is not an indication of future results. The value of investments can go up as well as down. Investors should consider carefully information contained in the Fund prospectus, including investment objectives, risks, charges and expenses. Please read the prospectus carefully before investing. An investment is neither insured nor guaranteed by the Bank nor any other government agency. Although the Fund seeks to preserve and grow the value of your investment, it is possible to lose money by investing in the Fund. If in doubt please seek independent professional financial advice.