

September 2021

NAV/unit: QAR 2.175

Performance YTD: +22.9%

Overview: During September, concerns over the impact of a potential default of Chinese real estate developer, Evergrande (\$300bn debt obligations) and worries about rising inflation caused jitters across global markets. Additionally, the US Federal Reserve announced a slowdown in monthly bond purchases is likely to commence later this year (tapering). Global equities reacted badly with US and European markets declining for the first time in 7 months, -5% and -3%, respectively. In EM, Russia rallied 4%, India added 3%, China ended +1%, while Brazil fell a further 7%. US 10-year Treasury yields settled at 1.48% (+17bps over the month) and the USD appreciated approximately 2% against major currencies. Commodities soared: Henry Hub gas +28%, Brent crude +10% (\$78.3), aluminium +5% while copper and steel were down 6% and 2% and gold lost 3% (\$1,757).

With Brent crude rising, Gulf equities rose. Qatar led (+3.5%), followed by Saudi (+1.6%), Kuwait (+0.9%). Abu Dhabi was broadly flat while both Dubai and Oman fell 2% and -0.6%. During the month, regional fixed income issuance was only a \$1.35bn; and despite the sharp selloff in US Treasuries, sukuk returned -0.03%.

Industries Qatar, Qatar Aluminium Manufacturing Co and Sahara International Petrochemical Co helped the fund most during the month while Saudi Ceramic, City Cement and Al Hassan Ghazi Ibrahim Shaker Co were key laggards.

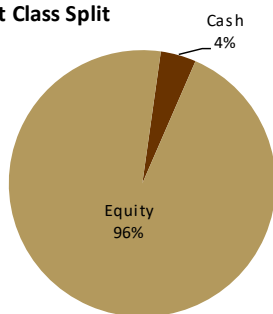
Outlook: Oil prices continue their upward trajectory as demand continues to normalise while supply has been more constrained. This augurs well for the regional government coffers. Commodity prices continue to make new highs due to energy shortages leading to supply outages supporting the profitability for the industrial companies. We remain positive on equities across many parts of the Gulf and retain zero sukuk exposure.

Fund Facts

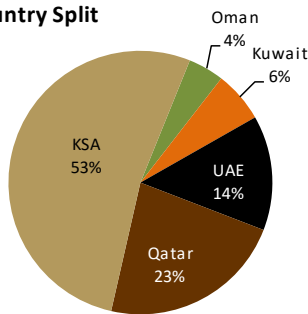
| | |
|------------------------------|---|
| Asset class | Shari'a compliant GCC listed equities and sukuk |
| Investment Objective | 18-24 month capital appreciation |
| Minimum investment | |
| - Individual | QAR 35,000 initially, QAR 5,000 thereafter |
| - Institution | QAR 350,000 initially, QAR 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 293.5m |
| Dividend Distribution | Semi-annual (January & July) |

Investments

Asset Class Split



Country Split



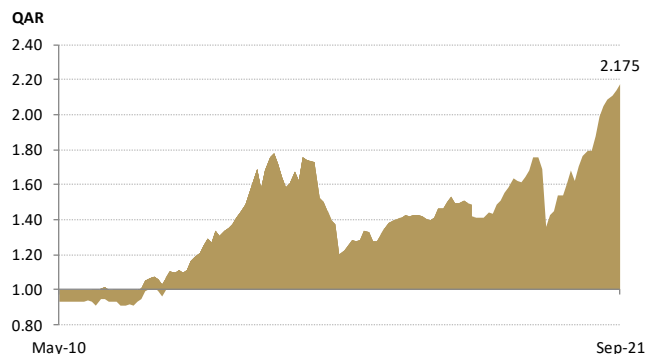
Fund Indicators (Equity)

| Fund Indicators (Equity) | September 2021 |
|---------------------------|----------------|
| P/E 2021E | 24.8x |
| P/BV 2021E | 3.4x |
| Dividend Yield 2021E | 3.0% |
| Weighted Market Cap (QAR) | 43.2bn |

Fund Indicators (Fixed Income)

| Fund Indicators (Fixed Income) | September 2021 |
|--------------------------------|----------------|
| Weighted yield to maturity | - |
| Weighted maturity (Years) | - |

Net Asset Value/Unit (adjusted for dividends)



Top 5 Holdings (% of total portfolio)

| Company | Country | Instrument | % |
|-------------------|---------|------------|------|
| Qatar Aluminum Co | Qatar | Equity | 8.4% |
| Saudi Ceramic | KSA | Equity | 6.4% |
| Industries Qatar | Qatar | Equity | 5.9% |
| Leejam Sports | KSA | Equity | 5.5% |
| Mabaneer | Kuwait | Equity | 4.9% |

Performance net of fees

| 1 month | 3 months | Inception | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------|----------|-----------|-------|------|------|-------|------|
| 1.5% | 4.1% | 124.5% | -2.0% | 4.4% | 4.9% | 23.3% | 0.2% |