



Al Rayan GCC Fund



Sep 2022

NAV/unit: QAR 2.251

Performance YTD: +10.6%

Overview: A painful September, as investors continue to recalibrate expectations for how high US and European interest rates will go, and how long they will stay there for. Hawkish comments from central bankers spooked markets as US and European equities dropped 9% and 7% respectively over the month. In EM, Russia -16%, China, -6%, India -4% while Brazil +1%. US 10-year Treasury yields soared 64bps to 3.83%, the US Dollar climbed 3% against major currencies, as US interest rates were raised by another 75bp. Commodities continued to decline: Henry Hub gas plummeted 28%, Brent -10% (\$85.1), ethylene -5%, gold -3% (\$1,660) and copper -3%, while urea rose 8%.

Gulf equity markets were also hit: Kuwait -8%, Saudi -7%, Qatar -5%, Dubai -3%, and Bahrain -2%, while both Abu Dhabi and Oman -1%. September saw \$750m of bond issuance from Abu Dhabi Commercial Bank and Shelf Drilling while the private office of Sheikh Mohammed bin Khalid al Nahyan issued a \$300m sukuk. Within sukuk, average spreads rose 5bp to 164bp, average yield to maturity rose 0.76% to 5.66% and sukuk returned -2.8% in September.

International Holding Co, Abu Dhabi Islamic Bank & Al Hammadi Company helped the fund most in September; Air Arabia, Jazeera Airways & Emaar Properties were key laggards.

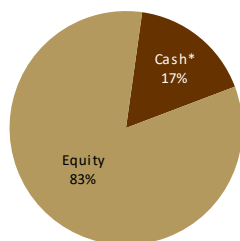
Outlook: While the region's trade and budget surpluses continue to expand, an uncertain global economic backdrop suggests a period of increased volatility for regional equities. We raised cash holdings in recent weeks and continue to invest cautiously, seeking to take advantage of opportunities presented by the market.

Fund Facts

Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	QAR 35,000 initially, QAR 5,000 thereafter
- Individual	QAR 350,000 initially, QAR 50,000 thereafter
- Institution	
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 329.3m
Dividend Distribution	Semi-annual (January & July)

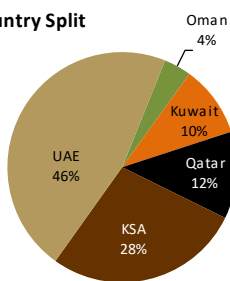
Investments

Asset Class Split



* including accrued expense

Country Split



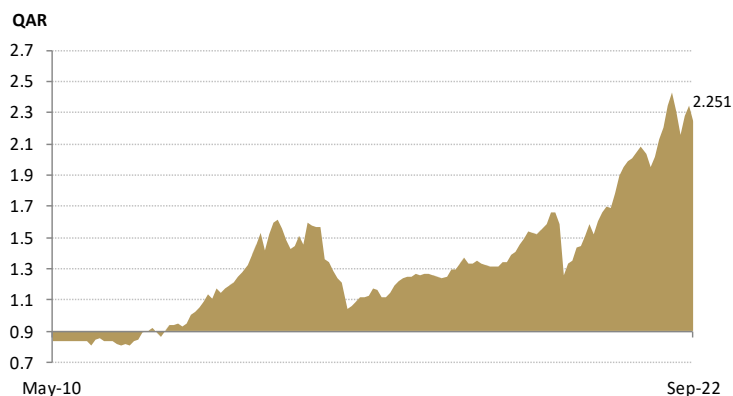
Fund Indicators (Equity)

Fund Indicators (Equity)	September 2022
P/E 2022E	17.3x
P/BV 2022E	4.3x
Dividend Yield 2022E	2.7%
Weighted Market Cap (QAR)	131.6bn

Fund Indicators (Fixed Income)

Fund Indicators (Fixed Income)	September 2022
Weighted yield to maturity	-
Weighted maturity (Years)	-

Net Asset Value/Unit (adjusted for dividends)



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Emaar Properties	UAE	Equity	9.8%
Air Arabia	UAE	Equity	8.4%
International Holding Co	UAE	Equity	5.7%
Jazeera Airways Co	Kuwait	Equity	5.4%
Al Yah Satellite	UAE	Equity	5.3%

Performance net of fees

	1 month	3 months	Inception	2017	2018	2019	2020	2021
Performance	-4.5%	3.5%	141.9%	4.4%	4.9%	23.3%	0.2%	19.7%