

September 2023

NAV/unit: QAR 2.510

Performance YTD: +16.8%

Overview: Markets continued to sell off in September, as US interest rates are expected to remain higher for even longer with cuts pushed further out into 2024. US equities -5% and Europe -2% while in EM, Russia dropped 5%, India +2%, Brazil +1%, and China marginally down. 10-year US Treasury yields spiked 46bp over the month to 4.57%, while the US\$ gained 2-3% against major currencies. By contrary, most commodities were higher, with ethylene +8%, Brent crude +7% (\$92.2), aluminium +6% and Henry Hub gas +4%. Gold lost some shine, down 5% to \$1,848.

Most Gulf equities followed international markets, with Saudi Arabia -4%, Oman -3%, Kuwait -2%, while Dubai +2%, and Qatar +0.6%. Issuance picked up, despite the move higher in rates. \$7.85bn was issued from the region, of which \$3.25bn was sukuk (\$1.5bn DP World, \$1bn Energy Development Oman and \$750m Government of Sharjah). Within sukuk, average spreads were 11bp tighter, average yield to maturity +0.29% to 6.10%, and sukuk returned -0.8% over the month.

Emaar Properties, Company for Cooperative Insurance and Emaar Development helped the fund most in September; Saudi Airlines Catering, Saudi Ground Services and Seera Group Holding were key laggards.

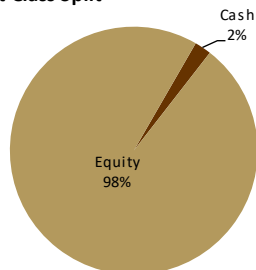
Outlook: With further interest rate increases on the horizon, coupled with higher interest rates currently, companies with high leverage will continue to feel the pain. We remain unenthusiastic about banks (the largest sector). But with aggressive spending plans in many Gulf countries, we see ample opportunities, especially in Saudi and UAE. We see secular growth opportunities in sectors including tourism, health, education and hydrocarbon exploration.

Fund Facts

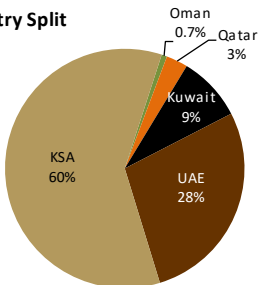
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
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	PricewaterhouseCoopers
Bloomberg/ Lipper	ARYGCCQ QD/ 68048996
Net Asset Value (NAV)	QAR 377.6m
Dividend Distribution	Semi-annual (January & July)

Investments

Asset Class Split



Country Split



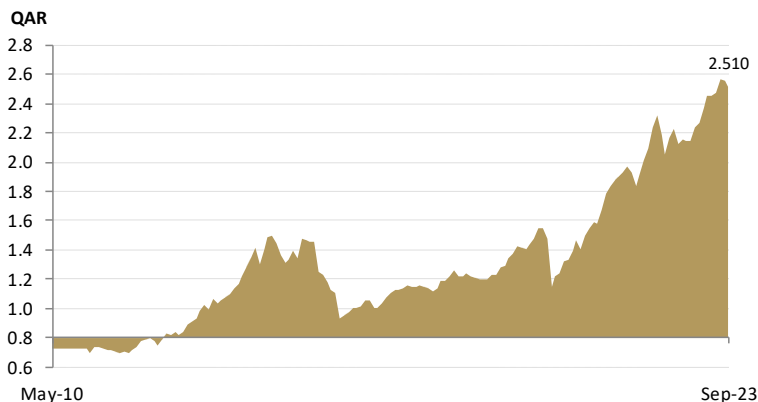
Fund Indicators (Equity)

Indicator	September 2023
P/E 2023E	19.6x
P/BV 2023E	4.8x
Dividend Yield 2023E	2.7%
Weighted Market Cap (QAR)	19.0bn

Fund Indicators (Fixed Income)

Indicator	September 2023
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	7.9%
Ali Alghanim sons automotive Co.	Kuwait	Equity	5.4%
Al Hammadi Holding	KSA	Equity	5.4%
Adnoc Drilling Co	UAE	Equity	5.3%
Saudi Airlines Catering	KSA	Equity	5.1%

Performance net of fees

1 month	3 months	Inception	2018	2019	2020	2021	2022
-2.0%	1.3%	184.7%	4.9%	23.3%	0.2%	19.7%	11.5%