Al Rayan GCC Fund

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ALRAYAN INVESTMENT

September 2025 | **NAV/unit:** QAR 2.538 | **Performance YTD:** -4.2%

Overview: US interest rates were cut by 0.25% in September, with the possibility of more cuts in 2025. This supported an already strong equity market: S&P500 +3.5% and Europe +1.5%. EM equities also rallied, Brazil +3% while China and India +1%. 10-year US Treasury yields fell 8bps to 4.15%, and the US Dollar was flat. Commodities were mixed, urea and ethylene -10%, steel -2%, Brent crude -1% to $66. Gainers included gold +12% ($3,859), gas (Henry Hub) +8% and copper +4%.

In equities, Saudi bounced 8% in September, Kuwait and Oman +3%, while Dubai dropped 4%, Qatar -2% and Abu Dhabi -1%. Credit issuance was enormous at $39.3bn. Sukuk accounted for $18.45bn, led by $13.55bn from Saudi Arabia (Government of KSA $5.5bn, $3bn Aramco, $3bn Saudi Real Estate Company, $1.55bn Al Rajhi Bank, $500m Almarai), $1.5bn Government Egypt, $750m Sobha and Arab National Bank, $500mn EIB and Binghatti. Within sukuk, average spreads tightened 23bp, with average yield to maturity -21bp to 5.26%. Sukuk delivered a return of +0.80% in September (year-to-date +6.4%).

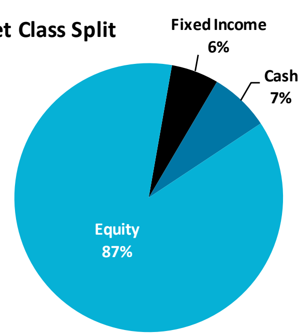
Al Rajhi Bank, East Pipes and Tawuniya helped the fund most in September; Lulu Retail, Emaar Properties and Emaar Development were key laggards.

Outlook: OPEC+ unwinding of oil production cuts of 2.5 m barrels/day casts a shadow over GCC equities. However numerous opportunities remain among some stocks. We continue to increase allocation to sukuk.

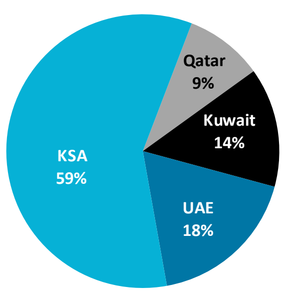
Fund Facts

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	AlRayan Bank
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 404.8m
Dividend Distribution	Semi-annual (January & July)

Asset Class Split



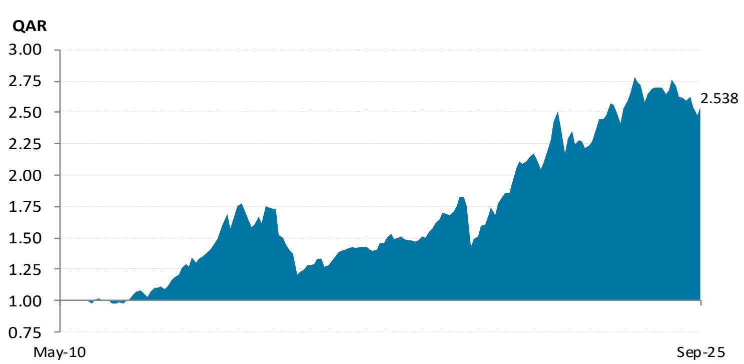
Country Split



Fund Indicators (Equity)	September 2025
P/E 2025E	21.3x
P/BV 2025E	5.3x
Dividend Yield 2025E	2.7%
Weighted Market Cap (QAR)	52.5bn

Fund Indicators (Fixed Income)	September 2025
Weighted yield to maturity	8.0%
Weighted maturity (Years)	3.0

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
ADNOC Drilling	UAE	Equity	4.9%
Al Rajhi Bank	KSA	Equity	4.5%
Jazeera Airways	Kuwait	Equity	4.1%
Aldrees Petroleum	KSA	Equity	4.0%
Mouwasat	KSA	Equity	3.8%

Performance net of fees

1 mth	3 mths	Inception	2020	2021	2022	2023	2024
-2.3%	-3.2%	208.0%	0.2%	19.6%	11.4%	24.3%	6.3%

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