

Shar'a Fund  
Manager - 2012MENASUK  
Manager - 2013Qatar Asset  
Manager - 2014Best Islamic Asset  
Management Co -  
2014Qatar Asset  
Manager - 2015

# Al Rayan GCC Fund (Q)

**April 2016****NAV/unit: QAR 1.283****Performance YTD: -6.8%**

**Overview:** Improved sentiment towards China combined with a demand driven rally in oil prices saw commodities, commodity-linked equities and high yield bonds strengthen in April. Among major equity markets S&P 500 was flat (+0.3%) while Europe was up 1.2%. The four BRIC markets surged 8-12% on improved emerging market sentiment. The Yen gained another 6% after the BOJ decided against further monetary easing. The US Dollar was 0.5% weaker against the Euro which helped gold up 5% (\$1,291). Despite no agreement among oil producers on 17 April, Brent crude closed the month at \$47.4 (+16%). Among other key gainers, steel, ethylene, aluminum and corn all rallied 10% and 15% during the month.

With the exception of Qatar (-1.8%) and Bahrain (-1.8%), other GCC markets built on March gains. Saudi Arabia led the way (+9.4%), partly helped by the 25<sup>th</sup> April announcement of Vision 2030, followed by Dubai +4.1% and Abu Dhabi +3.5%. April saw three bond issues (Abu Dhabi sovereign, Bank Muscat and Ahli Bank) with no sukuk issuance. GCC sukuk returned +0.9% in April.

Mouwasat Medical Services Co, Saudi Basic Industries Corp and Bupa Arabia for Cooperative Insurance Co helped the Fund most in the month while Saudi Airlines Catering Co, Industries Qatar QSC and Medicare Group were key laggards.

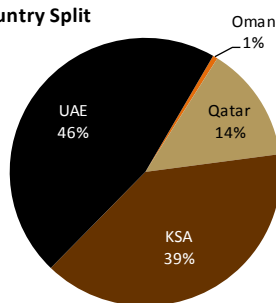
**Outlook:** In line with our expectations, Q1 results were not encouraging for most GCC companies. Ahead of Ramadan, volumes will now weaken however we believe oil will provide a supportive backdrop to GCC sentiment.

## Fund Facts

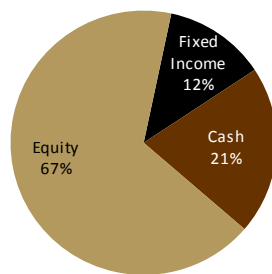
|                              |  |
|------------------------------|--|
| <b>Asset class</b>           | Shari'a compliant GCC listed equities and sukuk    |
| <b>Investment Objective</b>  | 18-24 month capital appreciation                   |
| <b>Minimum investment</b>    |  |
| - Individual                 | QAR 100,000 initially, QAR 5,000 thereafter        |
| - Institution                | QAR 1,000,000 initially, QAR 50,000 thereafter     |
| <b>Subscription Fees</b>     | up to 1%   |
| <b>Management Fees</b>       | 1.25% pa   |
| <b>Performance Fees</b>      | 20% of NAV increase greater than 24%, over 2-years |
| <b>Lock-in period</b>        | Six months   |
| <b>Fund Duration</b>         | Open-ended   |
| <b>Founder</b>               | Masraf Al Rayan QSC                                |
| <b>Fund Manager</b>          | Al Rayan Investment LLC                            |
| <b>Regulator</b>             | Qatar Central Bank                                 |
| <b>Custodian</b>             | HSBC Bank Middle East                              |
| <b>Auditor</b>               | KPMG   |
| <b>Bloomberg Ticker</b>      | ARYGCCQ QD   |
| <b>Lipper ID</b>             | 68048996   |
| <b>Net Asset Value (NAV)</b> | QAR 303.1 m  |

## Investments

### Country Split



### Asset Class Split



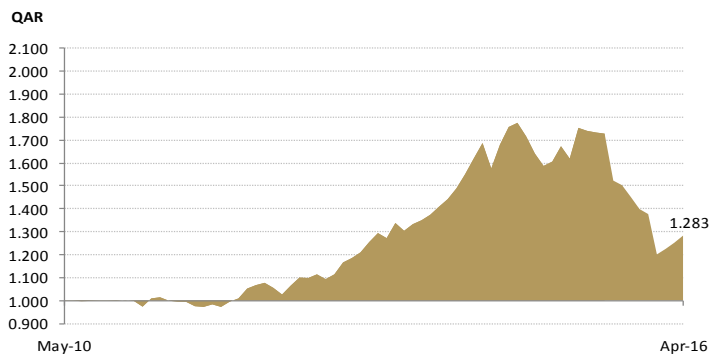
## Fund Indicators (Equity)

| Indicator                 | April 2016 |
|---------------------------|------------|
| P/E 2016E                 | 12.7x      |
| P/BV 2016E                | 2.6x       |
| Dividend Yield 2016E      | 4.8%       |
| ROE 2016E                 | 18.4%      |
| Weighted Market Cap (QAR) | 50.8bn     |

## Fund Indicators (Fixed Income)

| Indicator                 | April 2016 |
|---------------------------|------------|
| Average Maturity (Years)  | 1.8        |
| Average Yield to Maturity | 4.8%       |

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

| Company                      | Country | Instrument   | %    |
|------------------------------|---------|--------------|------|
| Mouwasat Medical Services Co | KSA     | Equity       | 8.7% |
| Saudi Basic Industries Corp  | KSA     | Equity       | 7.6% |
| Dubai Islamic Bank PJSC      | UAE     | Equity       | 6.3% |
| DP World Ltd                 | UAE     | Equity       | 5.5% |
| DIB Tier 1 Sukuk Ltd         | UAE     | Fixed Income | 5.4% |

## Performance

| Last 1mth | Last 3mth | 2010 | 2011  | 2012  | 2013  | 2014  | 2015   | Inception |
|-----------|-----------|------|-------|-------|-------|-------|--------|-----------|
| 2.5%      | 6.8%      | 0.1% | -0.6% | 12.0% | 26.5% | 12.6% | -13.2% | 28.3%     |