



Shar'i'a Fund Manager
of the Year 2012

Al Rayan GCC Fund (Q)



November 2012

AuM: QAR 168.2 million

Net Asset Value /unit: QAR 1.093

Overview: November saw global markets gain comfort about a resolution of the US 'fiscal cliff' and Europe announced €60 billion for Greece and Spain. There was considerable variance across asset classes globally. S&P500 was flat while European equities +2% (on very low volumes). Within Emerging Market equities, India +4.5% while China -4%. USD was weaker vs EM currencies but flat vs EUR after a mid-month reversal in the EUR. Brent rose 3.4% to \$111 and gold was flat at \$1,714.

With the exception of Kuwait (+3%, helped by government buying) and Abu Dhabi (flat), November was poor for GCC equities. Saudi fell 3.8% on worries about King Abdullah's health and a new law to charge companies more for expat workers; interestingly selling was from retail as institutions were net buyers. Saudi corporate bonds were unmoved. Qatari and Omani equities were about 2% lower. Regional fixed income issuance was modest and was snapped up as markets were tighter. On a relative basis, GCC credit looks cheap vs Asia and has underperformed EM credit this year. At 225, Dubai CDS is back to September 2008 levels.

Yanbu Cement, Emaar and Shaker helped the fund the most in November while Dar Al Arkan, Al Rajhi and Aldrees Petroleum were the key laggards.

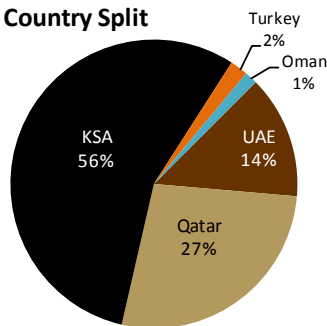
Outlook: We expect Q4 results to help Saudi equities recover more fully and see momentum continuing in the UAE. Despite an outstanding 2012 for GCC credit, there has been remarkably little profit-taking in to year-end. We wish all our investors a peaceful, healthy and prosperous 2013.

Fund Facts

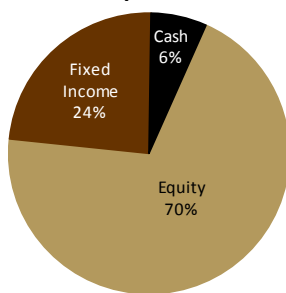
Asset class	Shari'a compliant, GCC listed equities and fixed-income instruments
Investment Objective	3-5 year capital appreciation
Minimum initial investment	
- Individual	QAR 100,000
- Institution	QAR 1,000,000
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	10% of NAV increase greater than 36%, over 3-years
Redemption Fees	0.25%
Lock-in period	18 months
Fund Duration	Open-ended
Founder	Masraf Al Rayan QSC
Fund Manager	Al Rayan Investment LLC
Regulator	Qatar Central Bank
Bloomberg Ticker	ARYGCCQ QD

Investments

Country Split



Asset Class Split



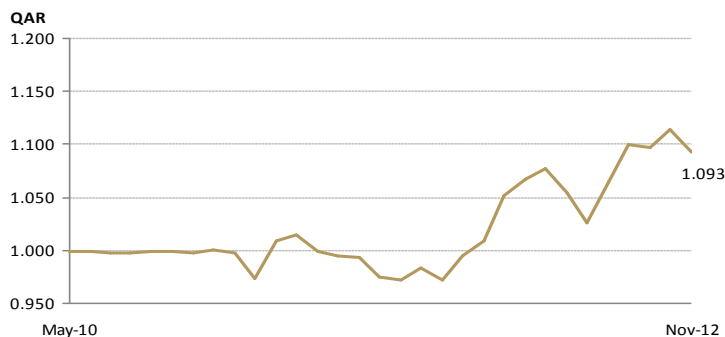
Fund Indicators (Equity)

	November 29
P/E 2012E	10.3x
P/BV 2012E	2.1x
Dividend Yield 2012E	5.1%
Weighted Market Cap (QAR)	26.0bn

Fund Indicators (Fixed Income)

	November 29
Average Maturity (Years)	1.9
Average Yield to Maturity	5.2%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	Holding
Dar Al Arkan 2015	KSA	Fixed Income	15.6%
Etihad Etisalat (Mobily)	KSA	Equity	9.0%
Industries Qatar QSC	Qatar	Equity	7.8%
Barwa Real Estate Co	Qatar	Equity	7.6%
Qatar Industrial Manufacturing Co	Qatar	Equity	6.9%

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Disclaimer: Past performance is not an indication of future results. The value of investments can go up as well as down. Investors should consider carefully information contained in the Fund prospectus, including investment objectives, risks, charges and expenses. Please read the prospectus carefully before investing. An investment is neither insured nor guaranteed by the Bank nor any other government agency. Although the Fund seeks to preserve and grow the value of your investment, it is possible to lose money by investing in the Fund. If in doubt please seek independent professional financial advice.