



Regional Fund Performance - 2015



GCC Fund &gt;\$50m - 2016



Qatar Asset Manager - 2016



Qatar Asset Manager - 2016



Qatar Asset Manager - 2017

# Al Rayan GCC Fund (Q)

**October 2018****NAV/unit: QAR 1.478****Performance YTD: +4.9%**

**Overview:** Volatility returned to global markets in October as investors shunned risk assets on global growth concerns. S&P 500 -7%, Nasdaq -9%, and European equities -6%. Within EM, Brazil equities jumped 10% after elections, while EM equities dropped 9% on average. 10-year US Treasury yields rose 8bp to 3.14% and the USD add 2-3% against major currencies as investors reduced EM holdings. Brent crude -9% (\$75) on expectations US restrictions on Iran exports would be accommodated. Unsurprisingly, gold gained 2% (\$1,213). Other commodities: sugar +18%, Henry Hub gas +9%, urea +3%, while ethylene -16%, aluminum and copper -5%.

Within the region, Qatar (+5%) stood out as an exception while all other markets declined from the previous month. Kuwait fell 2% following phase 1 of the FTSE EM upgrade, followed by Dubai (-2%) and Saudi (-1%). Issuance in regional fixed income: Oman 2025 sukuk (\$1.5bn) and two SABIC bonds (\$1bn 2023, \$1bn 2028). Regional sukuk returned -0.45% in October.

Barwa Real Estate, Qatar International Islamic Bank and Kuveyt Turk 2026 helped the fund most during the month while Human Soft Holding Co, Boubyan Bank and Mouwasat Medical Services Co were key laggards.

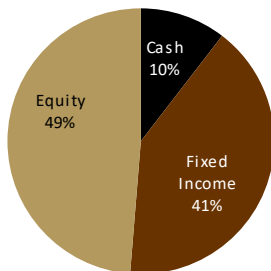
**Outlook:** Investors are still awaiting many Q3 results. Of those out so far, banks and petrochemicals did well while, with a few exceptions, most regional consumer exposed companies continue to struggle. Year to date, Qatar (+21%) is the second best performing equity market in the world.

## Fund Facts

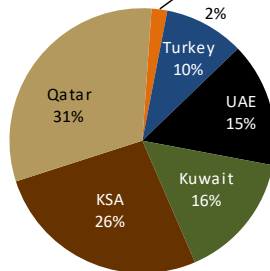
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	QAR 100,000 initially, QAR 5,000 thereafter
- Institution	QAR 1,000,000 initially, QAR 50,000 thereafter up to 1%
<b>Subscription Fees</b>	
<b>Management Fees</b>	1.25% pa
<b>Performance Fees</b>	20% of NAV increase above 24%, over 2-years
<b>Lock-in period</b>	Six months
<b>Fund Duration</b>	Open-ended
<b>Founder</b>	Masraf Al Rayan QPSC
<b>Fund Manager</b>	Al Rayan Investment LLC
<b>Regulator</b>	Qatar Central Bank
<b>Custodian</b>	HSBC Bank Middle East
<b>Auditor</b>	Deloitte & Touche
<b>Bloomberg/ Lipper</b>	ARYGCCQ QD/ 68048996
<b>Net Asset Value (NAV)</b>	QAR 194.4 m

## Investments

### Asset Class Split



### Country Split



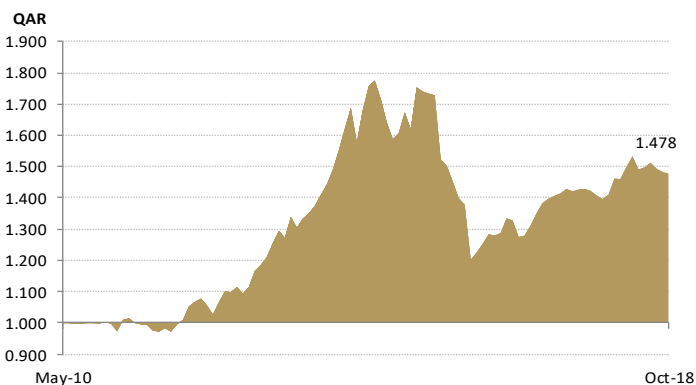
### Fund Indicators (Equity)

Fund Indicators (Equity)	October 2018
P/E 2019E	14.3x
P/BV 2019E	2.2x
Dividend Yield 2019E	4.5%
ROE 2019E	16.7%
Weighted Market Cap (QAR)	19.2bn

### Fund Indicators (Fixed Income)

Fund Indicators (Fixed Income)	October 2018
Weighted maturity (years)	3.3
Weighted yield to maturity	7.4%

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Barwa Real Estate	Qatar	Equity	7.7%
Dar Al Arkan 2019	KSA	Fixed Income	6.8%
Dar Al Arkan 2022	KSA	Fixed Income	6.1%
Boubyan Bank	Kuwait	Equity	6.1%
Dar Al Arkan 2023	KSA	Fixed Income	6.0%

## Performance<sup>#</sup> (since inception 47.8%)

Last 1mth	Last 3mth	YTD 2018	2010	2011	2012	2013	2014	2015	2016	2017
-0.3%	-2.2%	4.9%	0.1%	-0.6%	12.0%	26.5%	12.6%	-13.2%	-2.0%	4.4%

<sup>#</sup> Performance is calculated net of expenses