



Sharif's Fund Manager
of the Year 2012



MENA Sukuk Manager
of the Year 2013



Qatar Asset Manager -
2014

Al Rayan GCC Fund (F)



August 2014

NAV/unit: USD 1.702

Performance YTD: **24.1%**

Overview: August was a good month for risk assets globally. Equities continued to rally despite rising geopolitical tension in the Middle East and Ukraine. S&P 500 +3.8% on strong economic and corporate data as home sales, employment, Q2 GDP and Q2 corporate earnings all pointed to a solid recovery. European equities +1.7% despite lackluster economic data, as the ECB pointed to a future easing of monetary policy. German 10 year bund yields fell below 1% for the first time, French 2 year yields went negative and Spanish 10 year yields are now just 2.22% (6.9% two years ago). 10-year US Treasury yields fell to 2.34% and the US Dollar continued to strengthen vs developed market currencies. Gold was flat (+0.4% to \$1287.5) while Brent crude lost 3.1% (\$103). Within commodities, Henry hub gas (+8%), aluminum (+8%) and urea (+3%) were higher while ethylene (-4%) and copper (-2%) lost.

GCC equities rose, led by Saudi Arabia (+8.8%), Qatar (+5.6%) and Dubai (+4.8%). Saudi rallied after announcing it would open to foreigners in 2015. Qatar's move was helped by MSCI EM rebalancing. A dry month for GCC sukuk as not a single issue hit the market. Regional bonds continue to rally supported by the move in US Treasuries, the abundance of regional liquidity and continued maturity of regional bonds.

Emaar Properties, Mouwasat and Dar Al Arkan helped the fund most in August while Dar Al Arkan 2015, Medicare Corp and Aramex were key laggards.

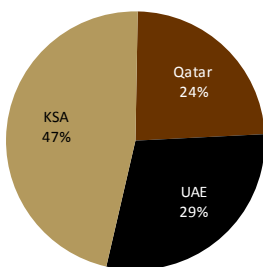
Outlook: Although they have rallied, we remain optimistic on regional equities which are well supported by earnings growth. In addition, Saudi equities are set to see increasing international interest, and buying.

Fund Facts

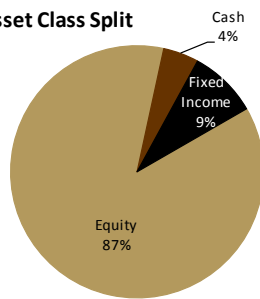
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	20% of NAV increase greater than 24%, over 2-years
Lock-in period	Six months
Fund Duration	Open-ended
Founder	Masraf Al Rayan QSC
Fund Manager	Al Rayan Investment LLC
Regulator	Qatar Central Bank
Custodian	HSBC Bank Middle East
Auditor	KPMG
Bloomberg Ticker	ARYGCCF QD
Lipper ID	68048992
Net Asset Value (NAV)	USD 23.3 m

Investments

Country Split



Asset Class Split



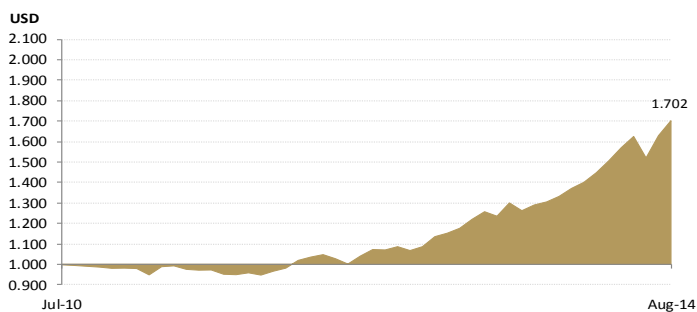
Fund Indicators (Equity)

Indicator	August 2014
P/E 2014E	20.0x
P/BV 2014E	4.2x
Dividend Yield 2014E	3.7%
Weighted Market Cap (USD)	6.8bn

Fund Indicators (Fixed Income)

Indicator	August 2014
Average Maturity (Years)	3.2
Average Yield to Maturity	4.9%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	Holding
Emaar Properties PJSC	UAE	Equity	10.9%
Mouwasat Medical Services Co	KSA	Equity	8.8%
Barwa Real Estate Co	Qatar	Equity	6.3%
Najran Cement Co	KSA	Equity	6.0%
Al Meera Consumer Goods	Qatar	Equity	5.7%

	1 mth	3 mth	2010	2011	2012	2013	Since Inception
Performance	4.5%	4.7%	-1.9%	-1.5%	12.4%	26.2%	70.2%

AL RAYAN INVESTMENT LLC (Authorised by QFCRA), Grand Hamad Street, PO Box 28888, Doha, Qatar

+974 4425 3333

ari.info@alrayan.com

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.