



Shari'a Fund Manager
of the Year 2012

Al Rayan GCC Fund (F)



February 2013

NAV/unit: USD 1.152

Performance YTD: 6.1%

Overview: After a very strong start to the year, most assets saw a reversal of gains in February. Politicians and central bankers remained in focus with a market-negative Italian election, comments about currency wars, the UK losing its AAA-rating and worries the Fed's QE3 may be pulled back. Gold, aluminium, copper, oil, steel all dropped 5-6%. Most equity markets struggled with EM hit badly as Brazil, India and China fell 4-5%. US assets were a bright spot: equities rose to Oct 2007 levels, US Dollar +4% vs Euro and Sterling, and +1% vs JPY while US Treasuries bounced (10-year yield 1.88%).

GCC equities were mixed. Five markets rallied, led by Abu Dhabi (+6%) helped by better results, dividend surprises and the Aldar-Sorouh merger. Qatar at -2% was the laggard as retail investor selling post dividends intensified; ahead of the \$3 billion IPO of some Qatar Holding assets, cash is being raised. Buyers returned to GCC bonds as liquidity at regional banks clearly still requires a home. Emirates Airline 2025 bond launched in February performed well.

Dar Al Arkan 2015, Emaar and Mouwasat helped the portfolio most in February while Dar Al Arkan, Barwa Real Estate, and Al Rajhi Bank were the key laggards

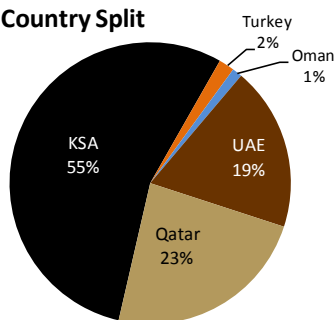
Outlook: The standout feature in February was the surge in dividends announced by UAE companies, across sectors. In addition, Dubai data points (including Emaar's new project sales) keep getting better. The other feature has been the jump, from a low base, of foreign investor flows in to Saudi Arabia. This appears to be early-positioning ahead of the market opening up (we believe in 2014). We continue to focus on KSA, Qatar and the UAE.

Fund Facts

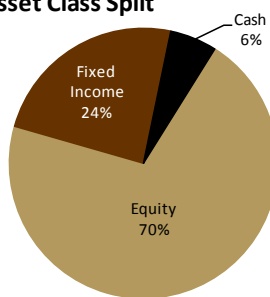
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	3-5 year capital appreciation
Minimum initial investment	
- Individual	USD 30,000
- Institution	USD 300,000
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	10% of NAV increase greater than 36%, over 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	ARYGCCF QD
Lipper ID	68048992
AUM (USD m)	12.7

Investments

Country Split



Asset Class Split



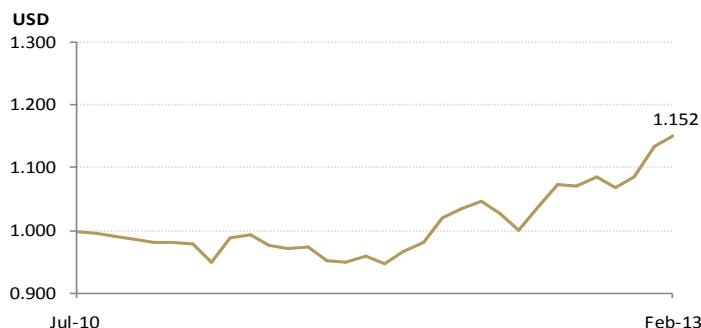
Fund Indicators (Equity)

Indicator	February 28
P/E 2013E	10.2x
P/BV 2013E	2.1x
Dividend Yield 2013E	5.6%
Weighted Market Cap (USD)	8.1bn

Fund Indicators (Fixed Income)

Indicator	February 28
Average Maturity (Years)	2.8
Average Yield to Maturity	6.4%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	Holding
Dar Al Arkan 2015	KSA	Fixed Income	12.2%
Nakheel 2016	UAE	Fixed Income	9.9%
Etihad Etisalat (Mobily)	KSA	Equity	9.4%
Emaar Properties PJSC	UAE	Equity	7.9%
Industries Qatar QSC	Qatar	Equity	7.8%

	1 mth	3 mth	2010	2011	2012	Since Inception
Performance	1.5%	8.0%	-1.9%	-1.5%	12.4%	15.2%

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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.