



Sher'a Fund
Manager - 2012

MENA Sukuk
Manager - 2013

Qatar Asset
Manager - 2014

Best Islamic Asset
Management Co -
2014

Qatar Asset
Manager - 2015

Al Rayan GCC Fund (F)



February 2016

NAV/unit: USD 1.191

Performance YTD: **-11.1%**

Overview: February saw global markets continue declines until a rebound mid-month. Investor sentiment improved on a recovery in commodity prices. In Europe, political headwinds increased with the UK announcing a referendum on membership of the European Union. Most major equity markets were lower (S&P500 -0.4%, Europe -2.4%, China -1.8%, India -7.5%) but Brazil rose 6% as commodities moved higher. USD weakened and US Treasury yields fell further as markets priced in a lower probability of rate hikes in 2016. US 10-year Treasury yields fell 18bps to 1.74%. Among commodities, gold rose 10% (\$1,232), urea +13%, while Gas (henry Hub) dropped 28%. Brent crude was broadly flat at \$36.6.

The recovery in oil prices helped investor sentiment towards GCC markets, as equities were led by Dubai (+8.1%) and Abu Dhabi (+7.3%), while Qatar (+4.3%) and Saudi Arabia (1.2%) were also higher. February saw two conventional bond issues from the Bahrain sovereign and two sukuk deals (ICD private sukuk and Islamic Development Bank). The GCC sukuk market returned +1.71%.

Medicare Group, Aramex PJSC and Aldrees Petroleum and Transport Services Co helped the Fund most in the month while Al Meera Consumer Goods Co, DP World Ltd and Bupa Arabia for Cooperative Insurance Co were key laggards.

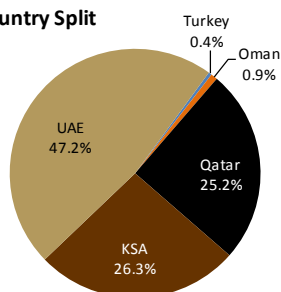
Outlook: Dividend payment season and the recovery in oil have helped GCC markets. Given the sharp sell-off in recent months we see room for an aggressive relief rally for many names.

Fund Facts

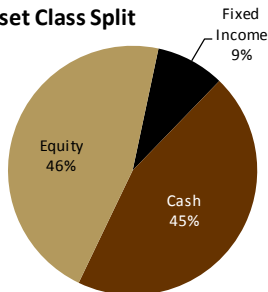
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance 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 14.5 m

Investments

Country Split



Asset Class Split



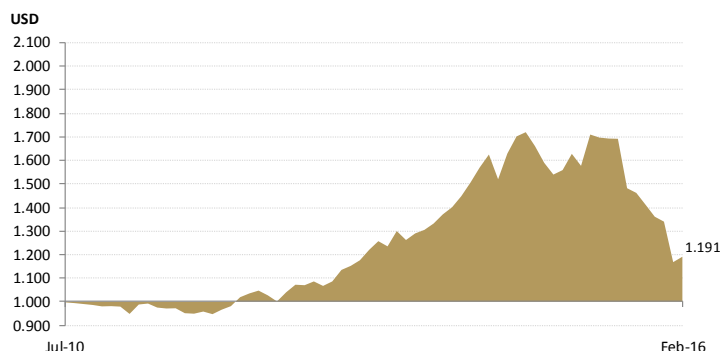
Fund Indicators (Equity)

Indicator	February 2016
P/E 2016E	13.9x
P/BV 2016E	2.6x
Dividend Yield 2016E	4.5%
ROE 2016E	18.1%
Weighted Market Cap (USD)	5.0bn

Fund Indicators (Fixed Income)

Indicator	February 2016
Average Maturity (Years)	2.2
Average Yield to Maturity	5.0%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Mouwasat Medical Services Co	KSA	Equity	7.3%
Dubai Islamic Bank PJSC	UAE	Equity	6.4%
DP World Ltd	UAE	Equity	5.2%
Aramex PJSC	UAE	Equity	5.0%
Medicare Group	Qatar	Equity	4.6%

Performance

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	Inception
2.0%	-12.5%	-1.9%	-1.5%	12.4%	26.2%	12.3%	-13.0%	19.1%