



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)



January 2016

NAV/unit: USD 1.168

Performance YTD: **-12.8%**

Overview: 2016 started where 2015 left off, with volatility across global markets led by falling oil prices. Brent fell to \$28 (-26%) during the month before ending at \$36 (-6%). Apart from oil, weakness in the Chinese economy and concerns about limitations on central bank easing dictated moves in asset classes during January. Equities were severely hit, China -23%, S&P500 -5% and European equities down 6%. The US Dollar and US Treasuries rallied on risk-aversion, helped by the Bank of Japan introducing negative interest rates. 10-year Treasury yields fell 35bps to 1.92%. Among key commodities, gold rose 5% (\$1,117), corn +4%, while urea, ethylene and copper -12%, -7% and -3% respectively.

GCC equities tracked oil. Despite a 10-12% rally in the last 10 days across GCC markets, Saudi Arabia lost 13.2%, followed by Qatar (-9.1%) and Kuwait (-7.4%). Abu-Dhabi and Dubai were down 5.9% and 4.9% respectively. January saw two new fixed income issues, both sukuk (the emirate of Sharjah and Oman Telecommunications). The GCC sukuk market returned -1.06%.

Industries Qatar QSC, Bupa Arabia for Cooperative Insurance Co and Qatar Islamic Bank helped the Fund most in the month while Almarai Co, Medicare Group and Aldrees Petroleum and Transport Services Co were key laggards.

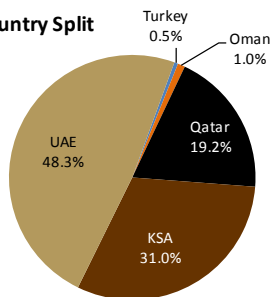
Outlook: So far this year, investors have side-stepped fundamentals and are focused on oil price moves resulting in heightened volatility. To control portfolio volatility, we have generated cash and look to deploy opportunistically as volatility subsides.

Fund Facts

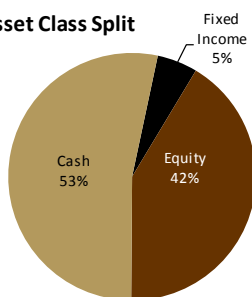
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance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



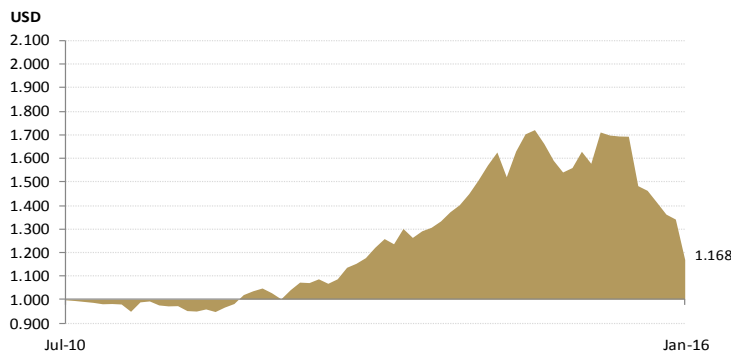
Fund Indicators (Equity)

Indicator	January 2016
P/E 2016E	14.1x
P/BV 2016E	2.6x
Dividend Yield 2016E	4.6%
ROE 2016E	18.6%
Weighted Market Cap (USD)	4.4bn

Fund Indicators (Fixed Income)

Indicator	January 2016
Average Maturity (Years)	1.8
Average Yield to Maturity	4.8%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Mouwasat Medical Services Co	KSA	Equity	7.2%
Dubai Islamic Bank PJSC	UAE	Equity	7.0%
DP World Ltd	UAE	Equity	5.4%
Aramex PJSC	UAE	Equity	4.6%
Bupa Arabia for Cooperative Insurance Co	KSA	Equity	4.2%

Performance

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	Inception
-12.8%	-17.3%	-1.9%	-1.5%	12.4%	26.2%	12.3%	-13.0%	16.8%