



Shar'ia Fund Manager  
of the Year 2012



MENA Sukuk Manager  
of the Year 2013



Qatar Asset Manager -  
2014

# Al Rayan GCC Fund (F)



July 2014

NAV/unit: USD 1.629

Performance YTD: **18.8%**

**Overview:** July was a volatile month for global equities as markets inched higher on strong economic data from the US, Europe and China but gave up gains after sanctions were imposed on Russian and instability emerged in the Portuguese banking system. The S&P 500 was 1.5% lower while Europe was down by 1.7%. Emerging market equities rose, helped by Chinese data. Flight to safety trades saw 10-year US Treasuries rally as yields decreased to 2.56% and the US Dollar rose against most currencies. This impacted gold (-2.7% to \$1282) and Brent crude (-5.4% to \$106). Within commodities, industrial metals, aluminum (+7.3%), steel (4.9%) and copper (+1.4%) gained on expectation of strong Chinese demand.

After having been oversold, GCC equities recovered strongly in July with Dubai taking the lead (+22.6%) followed by Qatar (12.1%) and Abu Dhabi (+11.1%). Saudi Arabia, the region's largest market, was lifted (+7.4%) as the Kingdom announced it would open to foreigners in 2015. It was a relatively dry month for GCC sukuk as AAA-rated IDB raised \$1bn. After some weakness in June, the rally in regional bonds resumed led by longer maturity names.

Emaar Properties, Dubai Islamic Bank and Savola helped the fund most in July while Dar Al Arkan 2016, Agthia foods and Yanbu cement were key laggards.

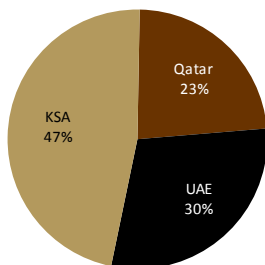
**Outlook:** After a strong equity recovery in July, supported by decent Q2 results, we expect markets to respond to robust local economic fundamentals. However, investors should remain mindful of intermittent impacts from global geopolitics, especially with the investor base increasingly international.

## Fund Facts

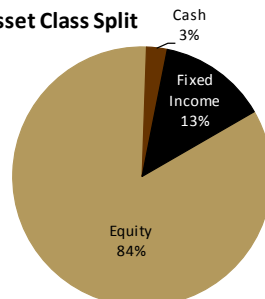
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum initial investment</b>	
- Individual	USD 30,000
- Institution	USD 300,000
<b>Subscription Fees</b>	up to 1%
<b>Management Fees</b>	1.25% pa
<b>Performance Fees</b>	20% of NAV increase greater than 24%, over 2-years
<b>Lock-in period</b>	Six months
<b>Fund Duration</b>	Open-ended
<b>Founder</b>	Masraf Al Rayan QSC
<b>Fund Manager</b>	Al Rayan Investment LLC
<b>Regulator</b>	Qatar Central Bank
<b>Custodian</b>	HSBC Bank Middle East
<b>Auditor</b>	KPMG
<b>Bloomberg Ticker</b>	ARYGCCF QD
<b>Lipper ID</b>	68048992
<b>Net Asset Value (NAV)</b>	USD 21.3 m

## Investments

### Country Split



### Asset Class Split



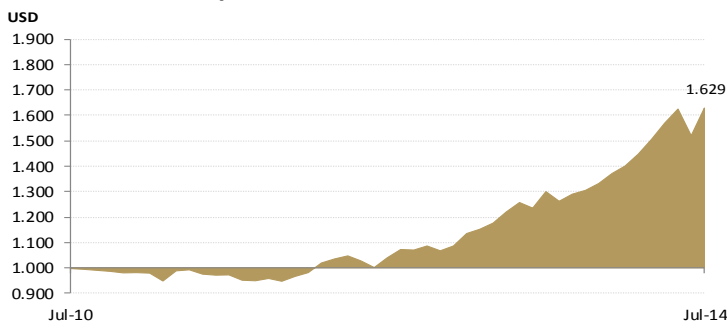
### Fund Indicators (Equity)

Indicator	July 2014
P/E 2014E	18.6x
P/BV 2014E	3.9x
Dividend Yield 2014E	3.9%
Weighted Market Cap (USD)	6.6bn

### Fund Indicators (Fixed Income)

Indicator	July 2014
Average Maturity (Years)	2.9
Average Yield to Maturity	5.2%

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	Holding
Emaar Properties PJSC	UAE	Equity	10.4%
Mouwasat Medical Services Co	KSA	Equity	8.4%
Barwa Real Estate Co	Qatar	Equity	6.1%
Nakheel 2016	UAE	Fixed Income	5.4%
Najran Cement Co	KSA	Equity	5.3%

	1 mth	3 mth	2010	2011	2012	2013	Since Inception
Performance	7.2%	3.8%	-1.9%	-1.5%	12.4%	26.2%	62.9%

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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.