



Qatar Asset Manager - 2018



Qatar Asset Manager - 2019



Best ETF Issuer - 2019

Al Rayan GCC Fund (F)



March 2020

NAV/unit: USD 1.369

Performance YTD: **-22.7%**

Overview: During March, the Covid-19 pandemic exploded globally, with cases outside China rising 695,500, to 700,000. March brought back memories of 2008, as nearly all asset classes collapsed amid fears of global recession. US interest rates were cut 1.5% to zero, and by 23rd March, US equities had fallen 24%. A \$2 trillion package was then announced and with further trillions added in the next few days, US equities ended March -12% and Europe -15%. Within EM equities: Brazil -30%, India -23% and China -5%. Investors rushed to safety as 10-year US Treasury yields fell 0.48% to 0.67% (1.15% in February). Gold +1% (\$1,598), but Brent crude was the casualty of a feud between the largest exporters, plunging 47% to \$26.4. Other commodities: ethylene -31%, sugar -25%, copper -12% and aluminum -10%, while wheat and urea (both +7%) were among the winners.

The breakdown in oil and worries about the global outlook were a terrible combination for Gulf equities in March: Dubai -32%, Abu Dhabi -24%, Kuwait -23%, KSA -15% and Qatar -13.5%. Fixed income issuance from the region was limited to \$200m sukuk issued by the Government of Sharjah; sukuk dropped 8.3% in March.

Mezzan Holding, Barwa Real Estate and KFIN 2026 helped the fund most during the month while Kuwait Finance House, Mabane Co and Jazeera Airways were key laggards.

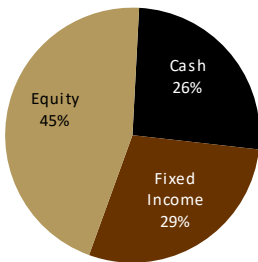
Outlook: Even if the oil producer dispute is resolved, the dramatic cut in global oil usage means balancing demand and supply will take time, leaving oil volatile and likely under pressure. Stimulus packages announced by regional governments are attractive but effective implementation is critical; the extent of sovereign support for local equities will also help determine market direction.

Fund Facts

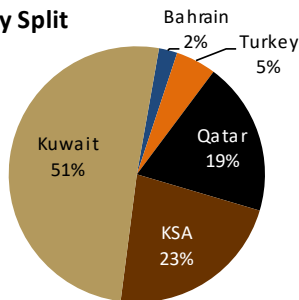
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	\$30,000 initially, \$1,500 thereafter
- Institution	\$300,000 initially, \$15,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	20% of NAV increase above 24%, over 2-years
Fund Duration	Open-ended
Founder	Masraf Al Rayan QPSC
Fund Manager	Al Rayan Investment LLC
Regulator	Qatar Central Bank
Custodian	HSBC Bank Middle East
Auditor	Deloitte & Touche
Bloomberg/ Lipper	ARYGCCF QD/ 68048992
Net Asset Value (NAV)	USD 12.8m

Investments

Asset Class Split



Country Split



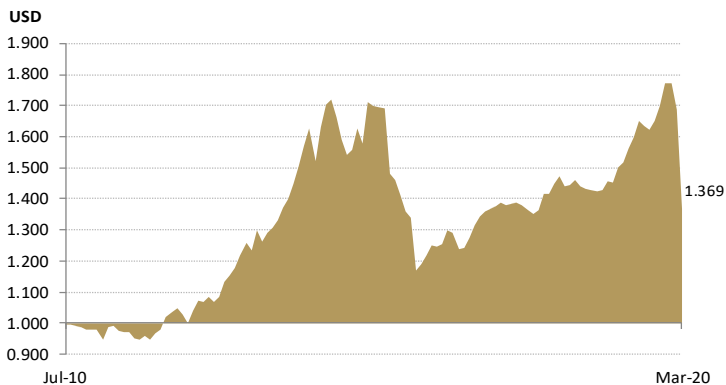
Fund Indicators (Equity)

Indicator	March 2020
P/E 2020E	16.8x
P/BV 2020E	1.9x
Dividend Yield 2020E	3.1%
ROE 2020E	12.0%
Weighted Market Cap (USD)	5.5bn

Fund Indicators (Fixed Income)

Indicator	March 2020
Weighted yield to maturity	14.3%
Weighted maturity (Years)	4.7

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Kuwait Finance House	Kuwait	Equity	11.7%
Boubyan Bank	Kuwait	Equity	11.5%
Mabane Co	Kuwait	Equity	10.0%
Dar Al Arkan 2025	KSA	Fixed Income	8.0%
Dar Al Arkan 2023	KSA	Fixed Income	7.1%

Performance[#] (since inception 36.9%)

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
-18.9%	-22.7%	-1.9%	-1.5%	12.4%	26.2%	12.3%	-13.0%	-1.9%	3.9%	4.6%	23.9%

[#] Performance is calculated net of fees