



Al Rayan GCC Fund



August 2024

NAV/unit: QAR 2.694

Performance YTD: +5.7%

Overview: A weak report on US employment during August triggered short-term panic across markets globally but better data and expectations of a US interest rate cut in September calmed investors. US and European equities ended August +2% and +1%, respectively. In EM, Brazil +6, Russia +2%, India +1, while China continues to struggle, down another 3%. 10-year US Treasury yields fell 13bp over the month to 3.90%. The US Dollar gained 2% against major currencies. Commodities remained mixed with gold +2% to \$2,503, ethylene +15% and aluminum +7%. Steel -6%, Brent crude down another 4% (to \$76.9) along with gas (Henry Hub) -3%.

GCC equity markets were mixed, with Dubai +1%, Qatar and Saudi around +0.5%, while Kuwait and Abu Dhabi slightly lower. In August, of \$3.94bn regional fixed income issuance, \$1.74bn was sukuk (Equate Petrochemical \$0.75bn, Khazanah \$0.5bn and FAB \$0.49bn), the remaining, \$2.2bn was from Saudi International Bank (\$0.9bn), Rajhi Bank (\$0.8bn) and Khazanah (\$0.5bn). Within sukuk, average spreads tightened 11bp to 155bp, average yield to maturity 0.29% lower to 5.33%, and sukuk returned +1.9% over the month. The most recent peak for average yields was in April 2024.

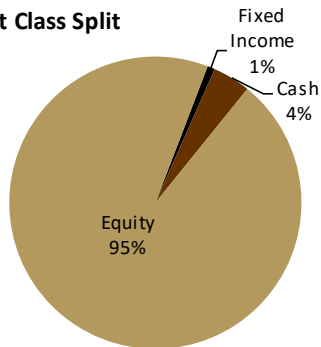
ADNOC Logistics & Services, The Company for Cooperative Insurance and Jamjoom Pharmaceuticals helped the fund most in August; Burjeel Holding Company, Arabian Contracting Services and Mouwasat were key laggards.

Outlook: We continue to take advantage of secular growth opportunities in sectors including industrial, tourism, health, education, and technology in Saudi and UAE specifically. We also see opportunities in GCC sukuk and invest tactically.

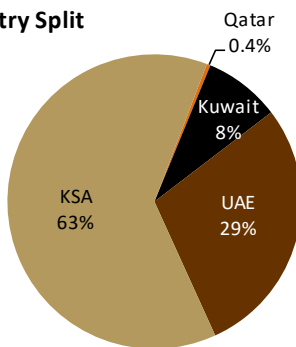
Fund Facts

Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 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	PricewaterhouseCoopers
Bloomberg/ Lipper	ARYGCCQ QD/ 68048996
Net Asset Value (NAV)	QAR 423.2m
Dividend Distribution	Semi-annual (January & July)

Asset Class Split



Country Split



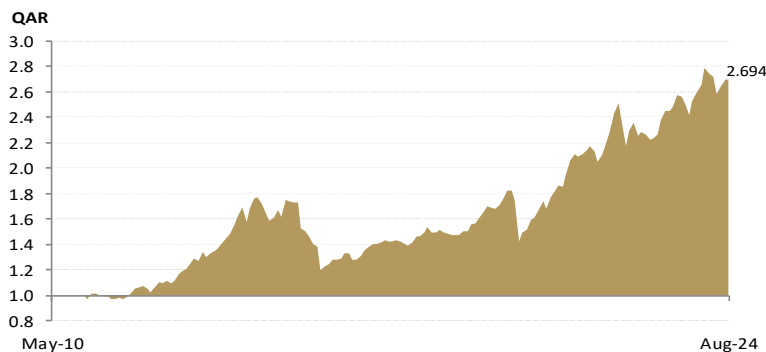
Fund Indicators (Equity)

Indicator	August 2024
P/E 2024E	22.8x
P/BV 2024E	5.5x
Dividend Yield 2024E	2.2%
Weighted Market Cap (QAR)	25.3bn

Fund Indicators (Fixed Income)

Indicator	August 2024
Weighted yield to maturity	8.0%
Weighted maturity (Years)	2.1

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Emaar Development	UAE	Equity	5.8%
Integrated Holding	Kuwait	Equity	5.5%
United International Transport	KSA	Equity	4.9%
ADNOC Drilling	UAE	Equity	4.8%
Saudi Ground Services	KSA	Equity	3.9%

Performance net of fees

Period	1 month	3 months	Inception	2019	2020	2021	2022	2023
Performance	0.1%	6.5%	219.9%	23.3%	0.2%	19.6%	11.4%	24.3%