



Al Rayan GCC Fund



January 2023

NAV/unit: QAR 2.236

Performance YTD: + 0.8%

Overview: 2023 began on very strong positive note, driven by optimism on China's post-Covid reopening, signs of easing US inflation and European growth not as bleak as investors had predicted. Both US and European equities rose 6.5% while in EM, China +5%, both Russia and Brazil +3%, while India -2%. On expectations that cuts in US interest rates may be possible in 2023, US 10-year Treasury yields fell sharply to 3.51% (-37bp over the month) and the US Dollar fell another 2% against major currencies. Commodities were mixed, with Henry Hub gas plunging 24%, urea -10%, and Brent crude -2% (\$85.5); however ethylene soared 27%, copper and aluminium +11%, while gold rose 6% (to \$1,928).

Gulf equity markets were mixed, with Saudi Arabia rising 3% and Qatar +2%. However, Abu Dhabi -4%, Oman -3%, Dubai -1%, while Kuwait was marginally negative. Within sukuk, average yield to maturity -0.27% to 5.24% and sukuk returned +1.55% in January.

Arabian Drilling, Alhamadi and Vodafone Qatar helped the fund most in January; Emaar Properties, Al Anwar Ceramic Tiles Co. & Jazeera Airways Co. were key laggards.

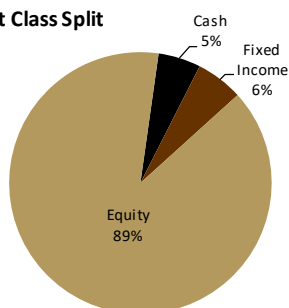
Outlook: The 2022 results season is underway and has been mixed so far. The global economic outlook remains jittery however, China's reopening should be supportive for global demand. We remain defensive, maintaining a high cash buffer and staying invested in high conviction ideas. The portfolio continues to add on sukuk on selective basis.

Fund Facts

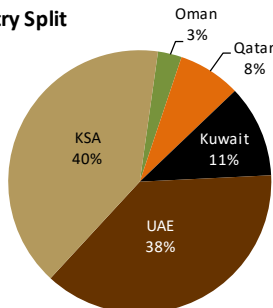
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
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	Deloitte & Touche
Bloomberg/ Lipper	ARYGCCQ QD/ 68048996
Net Asset Value (NAV)	QAR 330.2m
Dividend Distribution	Semi-annual (January & July)

Investments

Asset Class Split



Country Split



Fund Indicators (Equity)

January 2023

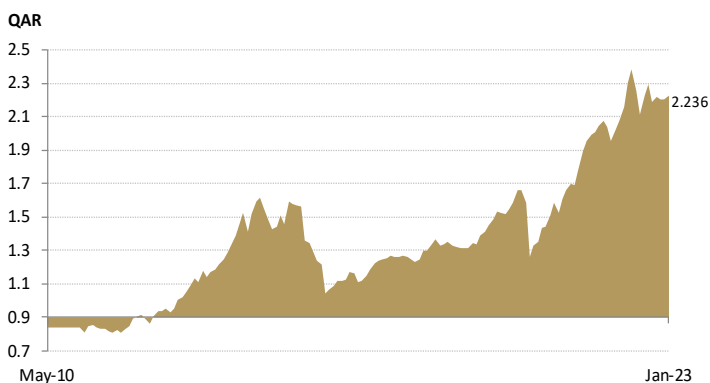
P/E 2023E	15.1x
P/BV 2023E	3.6x
Dividend Yield 2023E	3%
Weighted Market Cap (QAR)	27.6bn

Fund Indicators (Fixed Income)

January 2023

Weighted yield to maturity	7.1%
Weighted maturity (Years)	0.8

Net Asset Value/Unit (adjusted for dividends)



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Air Arabia	UAE	Equity	8.9%
Emaar Properties	UAE	Equity	6.7%
Al Yah Satellite	UAE	Equity	5.9%
Al Hammadi	KSA	Equity	5.7%
Arabian Drilling	KSA	Equity	5.4%

Performance net of fees

1 month	3 months	Inception	2018	2019	2020	2021	2022
0.8%	0.2%	145.9%	4.9%	23.3%	0.2%	19.7%	11.5%