



Al Rayan GCC Fund



January 2024

NAV/unit: QAR 2.654

Performance YTD: +2.3%

Overview: Global equities started 2024 on a strong note, however, as the month progressed gains began to wane, as the US central bank pushed back on timing of the rate cut. Data pointed to resilience of the US economy, and US and European equities gained around 1.5%. In EM, Russia +4%, while India, Brazil and China dropped 1%, 5% and 6%, respectively. 10-year US Treasury yields rose 3bp over the month to 3.91%, while the US Dollar fell 1-2% against major currencies. Commodities were mixed, urea rose 11%, while Brent crude +5% to \$80.6. Gas (Henry Hub) dropped 15%, steel -12%, aluminium -4%, and gold -1% to \$2,040.

Despite the rise in crude oil, GCC equities were mixed. Kuwait +7%, Bahrain +5%, Dubai +3%. Abu Dhabi and Saudi -1%, while Qatar plunged 7%. Regional fixed income issuance was strong, \$23.2bn was issued in January, \$3.5bn sukuk (Kuwait Finance House \$1bn, First Abu Dhabi Bank \$800m, Bank Saudi Fransi \$700m and Qatar Islamic International Banks and Oman Tel each issued \$500m), \$19bn in bonds. Within sukuk, average spreads were 17bp wider, average yield to maturity rose 0.18% to 5.64%, and sukuk returned -0.32% over the month.

National Co for Learning and Education, Jamjoom Pharmaceuticals and Saudi Ground Services helped the Fund most in January; Aldrees Petroleum and Transport Services, ADES Holding and Catrion Catering Holding were key laggards.

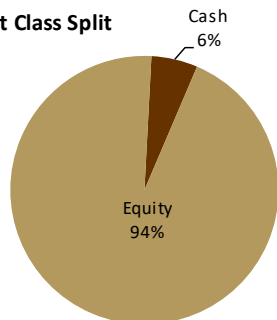
Outlook: Saudi Arabia and UAE continue to show strength and we see numerous opportunities in high growth sectors. We seek to take advantage of secular growth opportunities in sectors including tourism, health, education, and technology.

Fund Facts

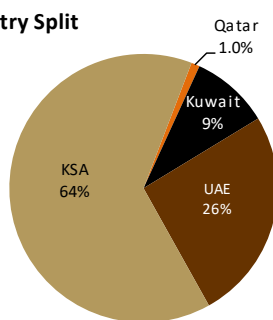
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
Subscription Fees	up to 1%
Management Fees	1.25% pa
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 406.6m
Dividend Distribution	Semi-annual (January & July)

Investments

Asset Class Split



Country Split



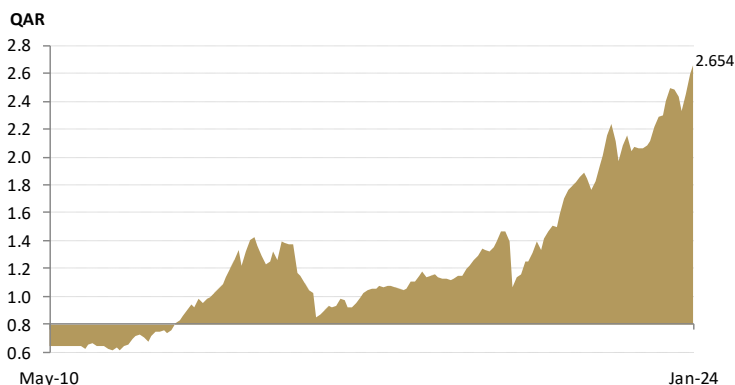
Fund Indicators (Equity)

	January 2024
P/E 2024E	30.7x
P/BV 2024E	5.3x
Dividend Yield 2024E	2.2%
Weighted Market Cap (QAR)	24.1bn

Fund Indicators (Fixed Income)

	January 2024
Weighted yield to maturity	-
Weighted maturity (Years)	-

Net Asset Value/Unit (adjusted for dividends)



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Ali Alghanim Sons Automotive	Kuwait	Equity	5.1%
Emaar Development	UAE	Equity	5.0%
Saudi Airlines Catering	KSA	Equity	5.0%
Al Hammadi Holding	KSA	Equity	4.6%
ADNOC Drilling Co	UAE	Equity	4.4%

Performance net of fees

1 month	3 months	Inception	2019	2020	2021	2022	2023
2.3%	13.5%	210.6%	23.3%	0.2%	19.7%	11.5%	24.5%