



Qatar Asset  
Manager - 2019



Best ETF Issuer -  
2019



Qatar Asset  
Manager - 2020

# Al Rayan GCC Fund

Previously Al Rayan GCC Fund (Q)



June 2020

NAV/unit: QAR 1.600

Performance YTD: **-12.2%**

**Overview:** In June, global risk assets continued to recover from their Covid-19 setback earlier in the year, helped by unprecedented support from central banks; there was some hesitation mid-month on second wave concern. US equities rose 2% and Europe +3%. EM equities rallied harder with Brazil +9%, India +8% and China +5%. 10-year US Treasury yields remained range bound and ended +1bps at 0.66%. Gold added another 3% (\$1,783) and Brent +8% (\$41.3). For the quarter, Brent was soared 82% from Q1's depressed levels. Other commodities: ethylene +38%, copper +12% and sugar +9, while steel -9% and wheat -6%.

Gulf equities gained given some stability in oil with Dubai (+6%) the top gainer followed by Abu Dhabi (+3.5%), Kuwait (3.4%) and Qatar (1.7%). The region's largest equity market, KSA, ended flat. Regional sukuk issuance was strong in June with \$4.3bn printed (only \$600m was conventional); sukuk gained 2.16% in June.

Mabane Co, Islamic Holding Group and Saudi Ceramic Co helped the fund most during the month while Kuwait Finance House, Almarai Co and Industries Qatar were key laggards.

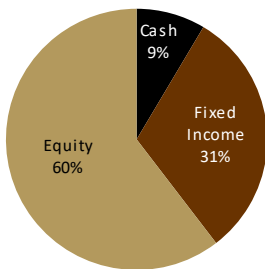
**Outlook:** Oil is now back above \$40 and lock-downs have begun to end. But with \$15 Brent crude and Covid-related restrictions, Q2 results will be exceptionally poor. Medium term investors view Q2 as a 'one-off' (with questions on the pace of recovery) but it will be interesting to see how markets react to very weak results.

## Fund Facts

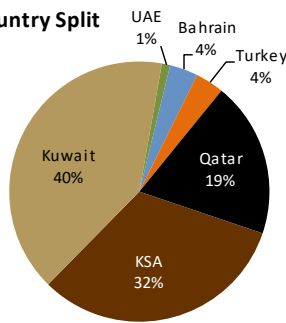
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter
<b>Subscription Fees</b>	up to 1%
<b>Management Fees</b>	1.25% pa
<b>Performance Fees</b>	20% of NAV increase above 24%, over 2-years
<b>Fund Duration</b>	Open-ended
<b>Founder</b>	Masraf Al Rayan QPSC
<b>Fund Manager</b>	Al Rayan Investment LLC
<b>Regulator</b>	Qatar Central Bank
<b>Custodian</b>	HSBC Bank Middle East
<b>Auditor</b>	Deloitte & Touche
<b>Bloomberg/ Lipper</b>	ARYGCCQ QD/ 68048996
<b>Net Asset Value (NAV)</b>	QAR 203.3 m

## Investments

### Asset Class Split



### Country Split



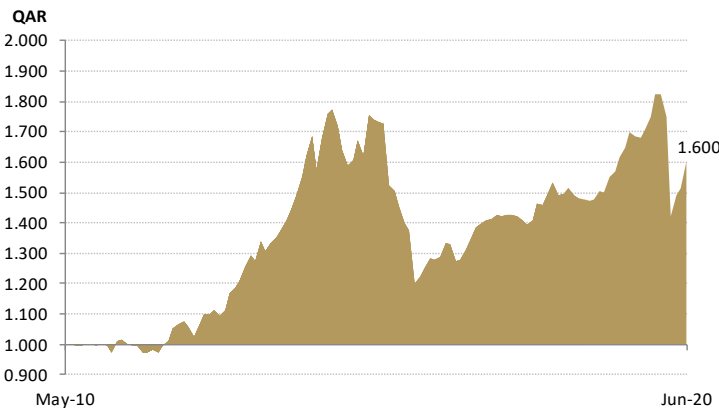
### Fund Indicators (Equity)

Indicator	June 2020
P/E 2020E	34.7x
P/BV 2020E	1.8x
Dividend Yield 2020E	2.8%
ROE 2020E	9.5%
Weighted Market Cap (QAR)	20.0bn

### Fund Indicators (Fixed Income)

Indicator	June 2020
Weighted yield to maturity	10.2%
Weighted maturity (Years)	4.5

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Boubyan Bank	Kuwait	Equity	11.5%
Kuwait Finance House	Kuwait	Equity	11.4%
Mabane Co	Kuwait	Equity	10.4%
Dar Al Arkan 2025	KSA	Fixed Income	8.4%
Dar Al Arkan 2023	KSA	Fixed Income	7.8%

## Performance# (since inception 60.0%)

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
5.5%	12.5%	0.1%	-0.6%	12.0%	26.5%	12.6%	-13.2%	-2.0%	4.4%	4.9%	23.3%

# Performance is calculated net of fees