



Qatar Asset
Manager - 2019



Best ETF Issuer -
2019



Qatar Asset
Manager - 2020

Al Rayan GCC Fund

Previously Al Rayan GCC Fund (Q)



الريان للاستثمار
AL RAYAN INVESTMENT

May 2020

NAV/unit: QAR 1.516

Performance YTD: **-16.8%**

Overview: April's bounce in global risk assets extended in to May despite Covid-19 cases doubling to over 6 million over the month. Investors focused on the continued percentage decline in growth of cases, the end of lock-down across Europe and the US and new European stimulus measures. US equities rose 4.5% (Nasdaq +7% in May leaves it +6% YTD) and Europe +3%, but EM equities were mixed: Brazil +8.6%, India -4%, China flat, Hong Kong -6% as political unrest continued. 10-year US Treasury yields remained range bound between 0.6% and 0.7% and ended +1bps at 0.65%. Gold gained another 2.5% (\$1,730) but oil shone as WTI soared 88% and Brent +34% to \$37.8. Other commodities: Silver +20%, ethylene +11%, sugar, corn and steel each +5%, while urea -10% and wheat -1%.

EGCC equities were mostly higher except Dubai (-4%) and Abu Dhabi (-2%) as investors remained worried about the impact on the lock down on tourism, trade and real estate. KSA, Qatar and Kuwait each gained 1%, helped by oil's boost. Regional fixed income issuance was strong yet again with \$9.1bn (\$8.1bn conventional, \$1bn Sukuk) being printed; sukuk gained 2.7% in May.

Kuwait Finance House, Mabane Co and Dar Al Arkan 2025 helped the fund most during the month while Yanbu Cement, ERES 2021 and Integrated Holding Co were key laggards.

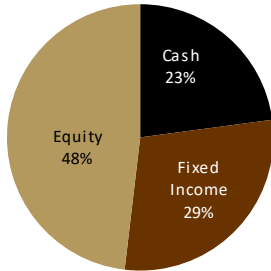
Outlook: The Gulf is easing lock-downs which will help sentiment. Oil's recovery is also a good omen for the region but the OPEC+ resolve to balance output with recovering demand is key to price support. Unless oil prices jump significantly further, Gulf governments still need to implement sharp spending cuts.

Fund Facts

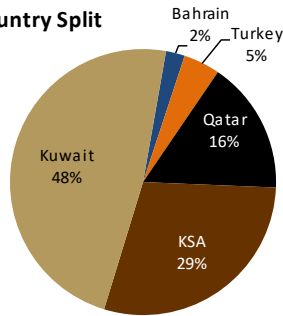
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	18-24 month capital appreciation
Minimum investment	
- Individual	QAR 35,000 initially, QAR 5,000 thereafter
- Institution	QAR 350,000 initially, QAR 50,000 thereafter up to 1%
Subscription Fees	1.25% pa
Management Fees	20% of NAV increase above 24%, over 2-years
Performance Fees	Open-ended
Fund Duration	Masraf Al Rayan QPSC
Founder	Al Rayan Investment LLC
Fund Manager	Qatar Central Bank
Regulator	HSBC Bank Middle East
Custodian	Deloitte & Touche
Auditor	ARYGCCQ QD/ 68048996
Bloomberg/ Lipper	QAR 192.8 m
Net Asset Value (NAV)	

Investments

Asset Class Split



Country Split



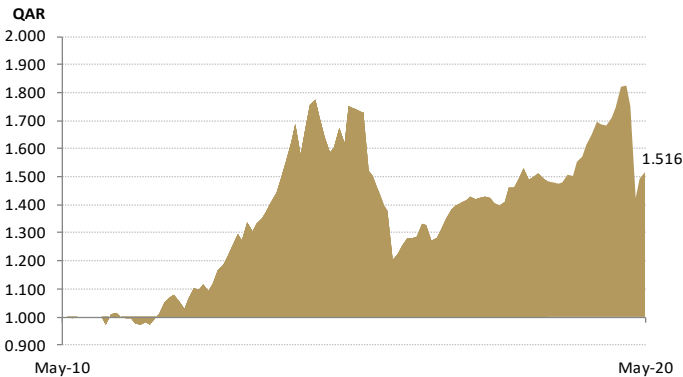
Fund Indicators (Equity)

Fund Indicators (Equity)	May 2020
P/E 2020E	17.4x
P/BV 2020E	1.9x
Dividend Yield 2020E	2.9%
ROE 2020E	8.9%
Weighted Market Cap (QAR)	21.0bn

Fund Indicators (Fixed Income)

Fund Indicators (Fixed Income)	May 2020
Weighted yield to maturity	13.4%
Weighted maturity (Years)	4.6

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Kuwait Finance House	Kuwait	Equity	12.1%
Boubyan Bank	Kuwait	Equity	11.5%
Mabane Co	Kuwait	Equity	9.8%
Dar Al Arkan 2025	KSA	Fixed Income	8.3%
Dar Al Arkan 2023	KSA	Fixed Income	7.9%

Performance[#] (since inception 51.6%)

Last 1mth	Last 3mth	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1.6%	-13.4%	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