

May 2021

Al Rayan GCC Fund



er Sharia Fund Manager Qatar Asset Manage

NAV/unit: QAR 2.115

Performance YTD: +15.9%

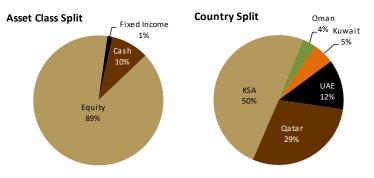
Overview: The old adage of 'sell in May' would not have been advisable this year as May continued strong; global equities and commodities seem fully vaccinated and unstoppable at the moment. US and European equities rallied +0.5% and 2%, respectively, both reaching new highs. In EM, India +7%, despite struggling to contain the aggressive spread of COVID-19. Brazil +6%, while both Russia and China +5%. US 10 year yields fell 3bps over the month, to 1.60%. With lower yields, the US dollar continued to slip 1-3% against major currencies. That and growing global inflation concerns helped Brent crude gain 5% (\$69.3) and gold +8% (\$1,907); urea +11%, ethylene and steel +7% and copper +4%.

Gulf equities continued to march higher, supported by the rise in Brent crude. Abu Dhabi and Dubai each added +7-8%, Bahrain and Oman +2.5%, Saudi and Kuwait +1.5%. After a strong April, Qatar was the laggard in May at -1.5%. During the month, regional fixed income issuance remained strong at \$6.4bn (\$4.6bn+ from AD sovereign/GREs) and sukuk returned +0.60%.

Saudi Ceramic Co, Al Anwar Ceramic Tiles Co and Al Hassan Ghazi Ibrahim Shaker Co helped the fund most during the month while Medicare, Qatar Electricity & Water and Industries Qatar were key laggards.

Outlook: \$70 Brent gives regional governments ample ammunition to spend in excess of budgets set in December 2020. This adds to our previously bullish view on the region and continue to focus on secular investment trends across the UAE, Qatar and Saudi Arabia.

Investments



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 279.7m

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Fund Indicators (Equity)	May 2021
P/E 2021E	27.1x
P/BV 2021E	2.4x
Dividend Yield 2021E	3.1%
ROE 2021E	4.3%
Weighted Market Cap (QAR)	21.3bn
Fund Indicators (Fixed Income)	May 2021
Weighted yield to maturity	6.7%
Weighted maturity (Years)	5.7

Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Qatar International Islamic Bank	Qatar	Equity	7.3%
Qatar Aluminium Co	Qatar	Equity	6.9%
Saudi Ceramic Co	KSA	Equity	6.3%
City Cement	KSA	Equity	5.3%
Qatar Islamic Bank	Qatar	Equity	4.9%

Performance[#] (since inception 111.5%)

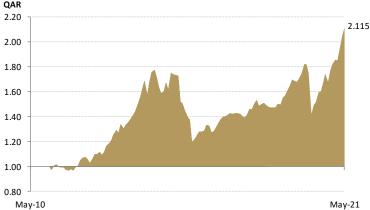
	Last 3mth		2012	2013	2014	2015	2016	2017	2018	2019	2020
2.9%	14.0%	-0.6%	12.0%	26.5%	12.6%	-13.2%	-2.0%	4.4%	4.9%	23.3%	0.2%

Performance is calculated net of fees

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Disclaimer: Past performance is not an indication of future results. The value of investments can go up as well as down. Investors should consider carefully information contained in the Fund prospectus, including investment objectives, risks, charges and expenses. Please read the prospectus carefully before investing. An investment is neither insured nor guaranteed by the Bank nor any other government agency. Although the Fund seeks to preserve and grow the value of your investment, it is possible to lose money by investing in the Fund. If in doubt please seek independent professional financial advice.

Net Asset Value/Unit



QAR