



Qatar Equities Manager - 2015



Regional Fund Performance - 2015



GCC Fund >\$50m - 2016



Qatar Asset Manager - 2016



Qatar Asset Manager - 2016

# Al Rayan GCC Fund (Q)



February 2018

NAV/unit: QAR 1.460

Performance YTD: +3.6%

**Overview:** The historic fifteen-month US equity bull-run finally hit a sustained period of weakness as prices nosedived early in the month before recovering as investors felt global growth fears were premature. The S&P 500 and European equities ended the month -4% (US -10% intra-month). Within emerging markets, China -6.4% and India -5%. A more hawkish tone from the Fed saw 10-year US Treasury yields +15bps to 2.86% as inflation expectations increased and the US Dollar + 2-3% against major currencies. Brent crude lost -5.6% (\$65) and gold -1.5% (\$1,319). Most commodities eased, some exceptions included steel +11%, urea +6%, wheat +6% and corn +3%.

Regional equities followed global sentiment as Qatar (-8%) fell after a strong two month rally, Dubai and Saudi were also negative at -4.4% and -3% respectively. Smaller markets, Bahrain (+1.4%) and Kuwait (+0.5%), were more resilient. Debt issues in February included bonds from Shelf Drilling, ENBD and sukuk from DIB, issuing a \$1bn, 5 year maturity. Regional sukuk returned -0.98% in February.

United Electronics Co, Dar Al Arkan 2022 and Mouwasat Medical Services helped the fund most during the month while DP World, Industries Qatar and Barwa Real Estate sukuk were key laggards.

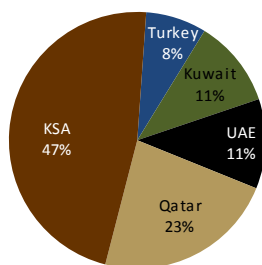
**Outlook:** On 28 March, FTSE is likely to give Saudi Arabia 12-month notice of entry to its EM index; MSCI could do the same in June. Aggressive buying would then be expected. For other regional markets stock-picking will be as important as ever.

## Fund Facts

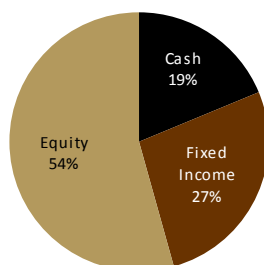
<b>Asset class</b>	Shari'a compliant GCC listed equities and sukuk
<b>Investment Objective</b>	18-24 month capital appreciation
<b>Minimum investment</b>	
- Individual	QAR 100,000 initially, QAR 5,000 thereafter
- Institution	QAR 1,000,000 initially, QAR 50,000 thereafter
<b>Subscription Fees</b>	up to 1%
<b>Management Fees</b>	1.25% pa
<b>Performance Fees</b>	20% of NAV increase above 24%, over 2-years
<b>Lock-in period</b>	Six months
<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>	ARYGCCQD/ 68048996
<b>Net Asset Value (NAV)</b>	QAR 329.3 m

## Investments

### Country Split



### Asset Class Split



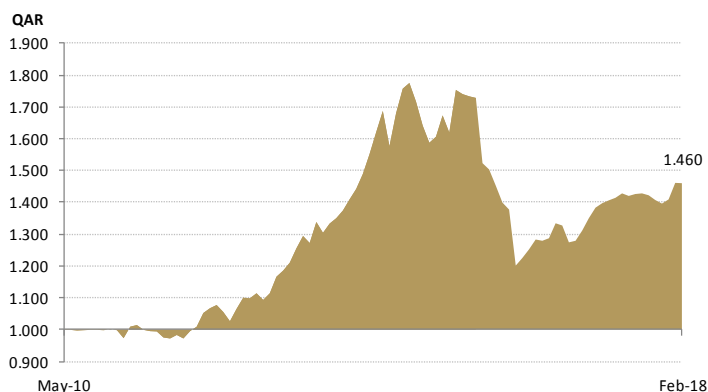
### Fund Indicators (Equity)

Indicator	February 2018
P/E 2018E	15.3x
P/BV 2018E	3.0x
Dividend Yield 2018E	4.4%
ROE 2018E	19.2%
Weighted Market Cap (QAR)	51.6bn

### Fund Indicators (Fixed Income)

Indicator	February 2018
Weighted maturity (years)	3.5
Weighted yield to maturity	6.4%

## Net Asset Value/Unit



## Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	%
Kuveyt Turk 2026	Turkey	Fixed Income	6.2%
Dar Al Arkan 2022	KSA	Fixed Income	5.9%
Mouwasat Medical Services Co	KSA	Equity	5.1%
Dar Al Arkan 2019	KSA	Fixed Income	5.1%
Barwa Real Estate	Qatar	Equity	4.7%

## Performance<sup>#</sup> (since inception 46.0%)

Last 1mth	Last 3mth	YTD 2018	2010	2011	2012	2013	2014	2015	2016	2017
-0.1%	4.6%	3.6%	0.1%	-0.6%	12.0%	26.5%	12.6%	-13.2%	-2.0%	4.4%

<sup>#</sup> Performance is calculated net of expenses