



Shari'a Fund Manager
of the Year 2012

Al Rayan GCC Fund (Q)



March 2013

NAV/unit: QAR 1.210

Performance YTD: 8.6%

Overview: A month of two halves, March was divided by the 'Cyprus' event. The European debt crisis took a new turn with bank depositors in Cyprus, rather than European tax payers, having to foot the bill. Risk appetite in the first two weeks of the month reversed as US and European government bonds bounced back, gold rose (\$1,599) while European equities and the Euro were sold. US data continued to encourage and US assets rallied further as the S&P 500 hit a new record (1,569, +10% YTD). EM equities weakened yet again (China -5%, Russia -2%). Commodities were broadly weaker but oil rose (WTI +5% to \$97).

Apart from Dubai (-5%) which eased after a very strong run, GCC equities had a good month but on weak volumes. Kuwait (+4%) and KSA (+2%) led, followed by Qatar (+0.5%). YTD leaders are Abu Dhabi (+15%), Kuwait (+13%) and Dubai (+13%). March was busy for GCC bonds with several new issues helping to lift market volumes. The rally in US Treasuries eased worries as significant surplus liquidity within regional banks is being put to work.

Mobily, Industries Qatar and Mouwasat helped the fund most in March while Barwa Real Estate, Emaar and Dar Al Arkan were the key laggards.

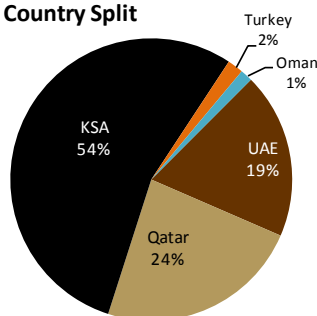
Outlook: Q1 results for KSA and Qatar are around the corner. We see consumer-related companies impressing, but banks disappointing. Qatari equities continue to be held back ahead of a large government-sponsored IPO. We expect UAE company results to increasingly show benefits of the country's economic upturn.

Fund Facts

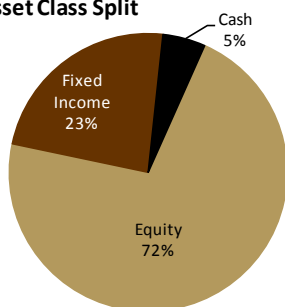
Asset class	Shari'a compliant GCC listed equities and sukuk
Investment Objective	3-5 year capital appreciation
Minimum initial investment	
- Individual	QAR 100,000
- Institution	QAR 1,000,000
Subscription Fees	up to 1%
Management Fees	1.25% pa
Performance Fees	10% of NAV increase greater than 36%, over 3-years
Redemption Fees	0.25%
Lock-in period	18 months
Fund Duration	Open-ended
Founder	Masraf Al Rayan QSC
Fund Manager	Al Rayan Investment LLC
Regulator	Qatar Central Bank
Bloomberg Ticker	ARYGCCQ QD
Lipper ID	68048996
AUM (QAR m)	182.7

Investments

Country Split



Asset Class Split



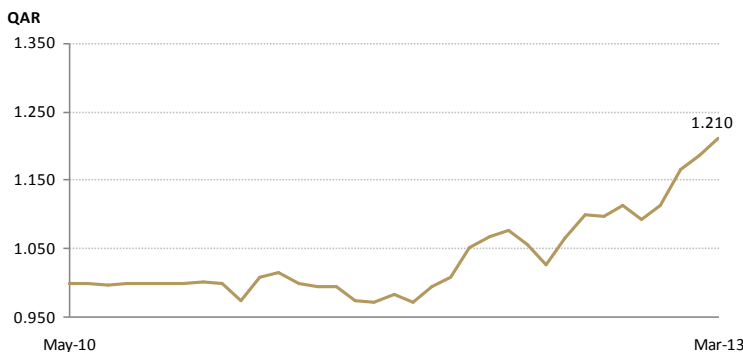
Fund Indicators (Equity)

Indicator	March 31
P/E 2013E	10.1x
P/BV 2013E	2.5x
Dividend Yield 2013E	5.6%
Weighted Market Cap (QAR)	30.5bn

Fund Indicators (Fixed Income)

Indicator	March 31
Average Maturity (Years)	2.7
Average Yield to Maturity	6.2%

Net Asset Value/Unit



Top 5 Holdings (% of total portfolio)

Company	Country	Instrument	Holding
Dar Al Arkan 2015	KSA	Fixed Income	12.0%
Etihad Etisalat (Mobily)	KSA	Equity	10.4%
Nakheel 2016	UAE	Fixed Income	9.6%
Industries Qatar QSC	Qatar	Equity	7.9%
Emaar Properties PJSC	UAE	Equity	7.5%

	1 mth	3 mth	2010	2011	2012	Since Inception
Performance	2.1%	8.6%	0.1%	-0.6%	12.0%	21.0%