



AL WASEELA FUND – Q CLASS

January 2019

Performance

Trailing Returns	Fund	QE Index
MTD ¹	1.98%	2.546%
YTD ²	3.56%	4.50%
Since Inception	144.71%	74.38%

¹ MTD is referenced from previous NAV date to this NAV date
² YTD is referenced from 31 December 2018
³ Past Performance is no guarantee of future trends

Historical Net Asset Value

Month	Offer	Bid
December	20.32	20.12

Fund Statistics

Beta	Standard Deviation	Tracking Error
0.75	20.29%	0.09

Fund Manager's Report

Review

The Qatar Stock Exchange continued to move higher with index gaining 2.54% during the reporting period. Large capitalization stocks Industries Qatar, Qatar Islamic Bank and Qatar National Bank continued to support the index. Despite being overweight in all three positions, the Fund gained 1.98% during the month and was behind the benchmark by 0.55%. The bulk of the relative performance can be attributed to stock selection decisions in the banking Sector and under allocation to real estate sector. Within the financial sector the fund continued to favor Qatar National Bank, Masraf al Rayan and Qatar Islamic Bank, the Fund did not carry any exposure to Qatar Insurance, Qatar International Islamic Bank and Doha Bank which inched up 4.89%, 4.5% and 2.33% respectively. With respect to the fund's off benchmark allocation, NMC Health experienced continued pressure, shedding 7.75% during the reporting period while Al Meera Consumer Goods and Gulf warehousing gained 2.58% and 2.47% respectively. On an absolute return basis, the bulk of the returns were generated from investment Industries Qatar, Qatar Islamic Bank and Qatar Fuels which gained 8.19%, 5.33% and 5.39% during the reporting period. On the flip side, NMC Health and Ooredoo were responsible for the mark to market losses, shedding 7.74% and 2.15%.

Looking ahead, the Fund is invested in high-quality businesses across various sectors. The Qatar market was the top performer among emerging markets and current high multiples reflect a rather optimistic scenario. Additionally, the approaching inclusion of China A shares, Saudi Arabia and Argentina to the MSCI EM index will force a rebalancing exercise at the index level and is expected to lead to an outflow. The passive outflow from the local exchange might act as a headwind and dampen market performance in the upcoming year. On the economic front, Qatar has fared better than expected in a period of trade and economic blockade. Banking system liquidity conditions have improved significantly with the spread between the 3month interbank rate in Qatar and LIBOR shrinking down to 16bps – at the time of economic blockade, the spread had widened to 1.28%! As alternative trade routes have been established and businesses continue to rethink their supply chains, we expect private sector activity in the country to gradually pick-up. On the global front, the dovish stance of Fed officials has contributed to alleviate liquidity concerns; and a potential normalization of the US-China trade would be beneficial to commodities and risk appetite for emerging markets assets..

Important Information

The above information should not be considered an offer, or solicitation, to deal in the subject fund. Investments in this fund are not deposits in, obligations of, or guaranteed or insured by EFG-Hermes Financial Management (Egypt) Limited (Fund Manager) or The Commercial Bank of Qatar Q.S.C (Founder). This investment is subject to investment risks including possible loss of the principal amount invested. Unit values and income may fall or rise and past performance is not indicative of future performance. Investors should read the Articles of Association and Prospectus and seek relevant professional advice before making any investment decision.

	Offer	Bid
Net Asset Value as of 15 January 2019	20.7261	20.5188

Objective

The principal objective of the fund is long term capital appreciation through investing in listed Qatar and GCC equities.

Benchmark

QE Index

Fund Analysis

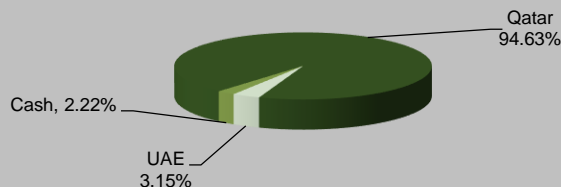
Top 5 Equity Holdings

	% of NAV
Qatar National Bank	18.98%
Industries Qatar	17.29%
Qatar Islamic Bank	13.80%
Masraf Al Rayan	11.37%
Qatar Electricity and Water	6.63%

Asset Allocation

Type	Last Month	This Month	% Change
Cash	2.28%	2.22%	-0.06%
Listed Equities	97.72%	97.78%	0.06%

Geographic Breakdown



Fund Information

Currency	Qatari Riyal
Launch Date	15 April 2007
Type	Open Ended
Fund Size	QR 69,226,341
Minimum Subscription	QR 25,000 at Offer Price
Maximum Subscription	2,000,000 units at Offer Price
Minimum Subsequent Subscription	QR 5,000 at Offer Price
Subscription Fee	3.00%
Management Fee	1.50% per annum
Performance Fee	20% over Hurdle Rate of 10%
Dealing	7 February 2019
Valuation Date	15 th day of each calendar month
Founder	The Commercial Bank (P.S.Q.C.) P.O. Box 3232, Doha, State of Qatar Tel: +974 4449 0000 Fax: +974 4449 0070 www.cbq.qa
Fund Manager	National Bank of Oman (SAOG)
Custodian	HSBC Bank Middle East Limited
License No. of Fund	IF/7/2006
Fund Registration No. at Ministry of Economy & Commerce	34169