

Al Beit Al Mali Fund (ABAMF) - Monthly Report for October 2022

Fund Objective & Strategy

The fund's objective is to achieve capital appreciation by investing in Sharia-compliant companies listed on the Qatar Exchange as per the predefined Sharia criteria set forth in Qatar.

Total Net Asset value (in QAR)

59,921,249

Total Net Asset value per unit (in QAR)

22.06

Fund Information	Particulars	Performance Summary	ABAMF	Index
Fund Type	Open-End Fund	Year 2014	26.8%	25.5%
Currency	Qatari Riyal	Year 2015	-9.7%	-14.9%
Regulator	Qatar Central Bank	Year 2016	2.7%	-2.1%
Fund Manager	QNB Suisse SA	Year 2017	-11.6%	-14.4%
Subscription/Redemption	Monthly	Year 2018	12.4%	16.2%
Management Fee	1.0% p.a	Year 2019	3.86%	1.70%
Auditor	Deloitte & Touche	Year 2020	10.73%	8.06%
Custodian	QNB	Year 2021	11.03%	10.48%
Benchmark Index:	QE Al Rayan Index (QERI)	MTD (Oct 2022)	-1.67%	-0.54%
Founder	Investment House	YTD (2022)	7.45%	10.40%

Fund Manager Comment

Performance for the Month

The Qatar Exchange extended losses in October following through the weakness exhibited in September as bearish sentiment engulfed the market. The Qatar Exchange Index and Qatar Exchange Al Rayyan Index both declined by 2.21% and 0.54% respectively. All sectors were in the red except the Telecoms and Transports. Market breath has deteriorated significantly back to June lows indicated by the number of stocks below their respective 50 day moving average. Global equity markets reversed previous months down trade with strong gains; MSCI World gained 7.18% with developed world markets represented by the S&P 500 index gaining 8.10% while MSCI EM index shed 3.11%. Global commodity complex gained 1.67% during the month supported by strong performance from crude oil. Brent Crude oil benchmark gained 11.38%. Foreign Institutional Investors extended net buying of USD 222 MN. Regional markets mostly up except Qatar. In year to date 2022, the fund's NAV increased by 7.45%.

Market Review

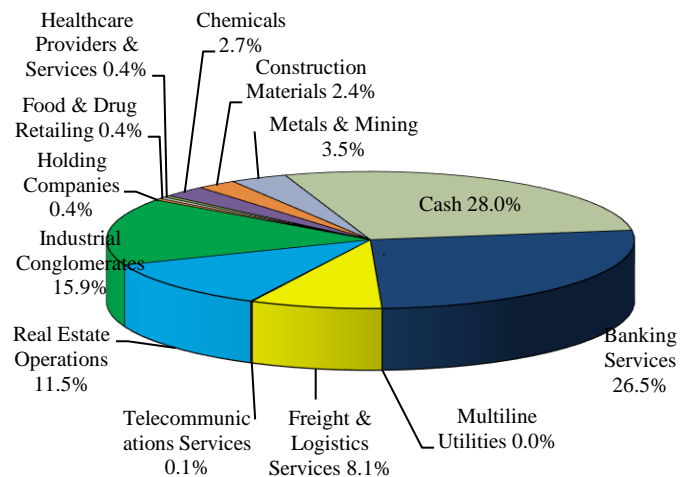
Strong, but below consensus, earnings growth affected the Qatari market. The listed firms post a strong double-digit YoY growth in the overall net earnings during the first nine months of 2022. Total net profit soared 19.29% YoY to QR39.41bn. Among individual stocks, the top negative contributors to the monthly QE Index decline were Industries Qatar (IQCD), Commercial Bank of Qatar (CBQK) and Masraf Al Rayan (MARK). Against this, Ooredoo (ORDS), Qatar International Islamic Bank (QIIC) and Qatar Electricity and Water Company (QEWS) contributed positively to the QE Index. For the QE Islamic Index (QERI), the top three negative contributors to the index decline were IQCD, MARK and MPHIC while ORDS, VFQS and QIIC contributed positively to the overall index.

Portfolio Investment Strategy

The Qatar market sold off in September in line with other global markets in a risk off month, not quite back to the June lows. Short term, markets look oversold and are due a bounce that could continue for most of Q4, however the medium term outlook is getting more and more difficult. Fundamentally there are many stocks, especially the banks, which are structurally ex-growth with dividend yields well below market interest rates and leveraged balance sheets which have yet to be tested. This is a challenge the market have to face up to in 2023, alongside a worsening economic outlook both domestically and internationally.

Sector Allocation

Fund Management Team



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