

Al Beit Al Mali Fund - Monthly Report for May 2024

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)

51,122,902

Total Net Asset value per unit (in QAR)

18.84

| Fund Information | Particulars | Performance Summary | ABAMF | Index |
|-------------------------|----------------------------------|---------------------|--------|--------|
| Fund Type | Open-End Fund | Year 2015 | -9.7% | -14.9% |
| Currency | Qatari Riyal | Year 2016 | 2.7% | -2.1% |
| Regulator | Qatar Central Bank | Year 2017 | -11.6% | -14.4% |
| Fund Manager | QNB Suisse SA | Year 2018 | 12.4% | 16.2% |
| Subscription/Redemption | Monthly | Year 2019 | 3.86% | 1.70% |
| Management Fee | 1.0% p.a | Year 2020 | 10.73% | 8.06% |
| Custody Fee | 0.5% p.a. | Year 2021 | 11.03% | 10.48% |
| Founders Fee | 1.0% p.a. | Year 2022 | -5.32% | -2.66% |
| Audit Fee | QR 60,000 (min. amount annually) | Year 2023 | 4.14% | 3.76% |
| Sharia Fees | QR 75,000 (min. amount annually) | YTD (2024) | -6.96% | -6.67% |
| Advertising Expense | QR 31,200 (min. amount annually) | | | |
| Auditor | Ernst & Young | | | |
| Custodian | QNB | | | |
| Benchmark Index: | QE Al Rayan Index (QERI) | | | |
| Founder | Investment House | | | |

Fund Manager Comment

Performance for the Month

Qatar Exchange (QE) extended its bearish trajectory falling -4.19% in May 2024 as investor sentiment dipped further as foreign institutional investors turn net sellers for the second consecutive month. QE Islamic index QERI fell -4.70% underperforming its conventional peer during the month. Market breath deteriorated further as number of stocks trading above their 50-day moving average decreased to 15% at the close of the month. Global equity markets returned to the upward trajectory during the reporting month as the MSCI World index gained +4.06%; developed market equities represented by the S&P 500 gained +5.06% and emerging market equities presented by MSCI EM index gained +1.82%. Bloomberg commodity index gained +1.30% supported by the precious and base metals. Brent crude oil fell -5.46%. Foreign Institutional Investors net sold USD 140 Mn during the month. Regional markets were all in the red. In year to date 2024, the fund's NAV decreased by 6.96% vs. QERI Index down 6.67% underperforming by 0.29%.

Market Review

MSCI outflows affected the market in May 2024. For the MSCI Qatar Standard Indices there were no additions/deletions to the index, however, there were weight (FIF) changes to Nakilat (QGTS) and Masraf Al Rayan (MARK) in the index. Furthermore, MSCI also announced that MEEZA QSTP (MEZA) was added to the Small Cap index and Medicare Group (MCGS) was deleted from the same index. Contrary to expectations, the market experienced strong outflows on the last day that overwhelmed the inflows and led to a sharp corrections in QGTS and MARK. Furthermore, Woqod (QFLS) experienced a bigger than usual outflow pushing the stock down more than 8% in the auction on the last trading days. On the LNG expansion front, things are moving in the right direction with sustained progress by Qatar Energy to fulfill the commitment to increase the LNG capacity to 142mn tonnes per year (MTPY) before the end of this decade, representing an increase of almost 85% from current production levels.

Portfolio Investment Strategy

Large cap valuations appear very cheap, especially the large banks. LNG expansion is a medium term story with the potential to drive the market up. Despite the disappointment in May, the market still appears to have more upside risk than down risk over the next few months, driven by the cheaper cyclical areas of the market.

Sector Allocation

As of the end of the month, the sector weights are as shown below:

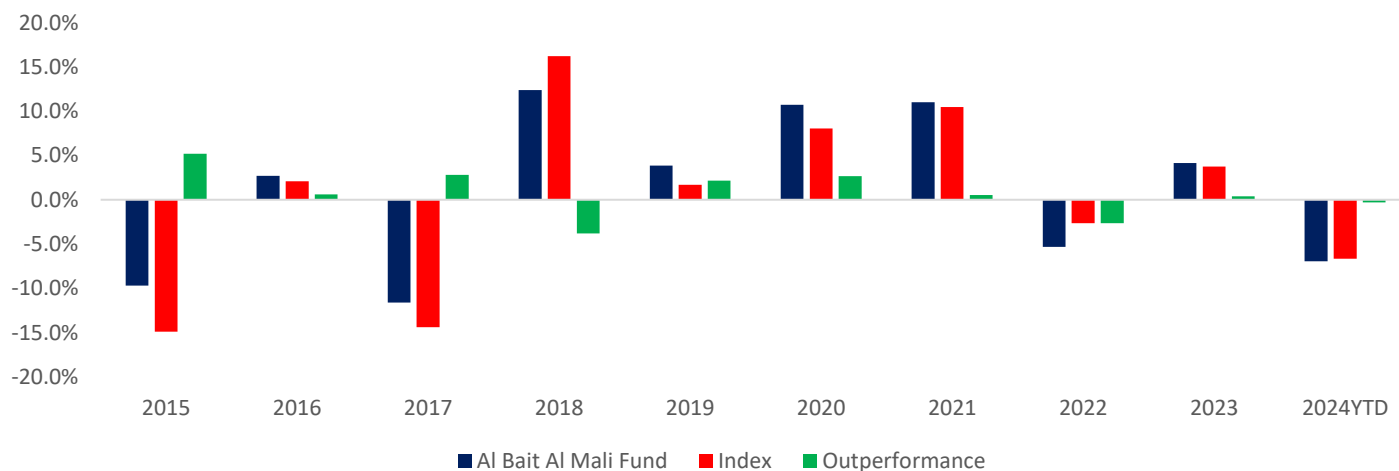
| Sector | Portfolio Weight | Index Weight | Relative Weight |
|---------------------------------|------------------|--------------|-----------------|
| Insurance | 0.00% | 0.00% | 0.00% |
| Banking Services | 32.24% | 31.75% | 0.49% |
| Multiline Utilities | 4.56% | 4.78% | -0.22% |
| Freight & Logistics Services | 6.83% | 5.34% | 1.49% |
| Telecommunications Services | 11.72% | 11.95% | -0.23% |
| Real Estate Operations | 11.15% | 11.25% | -0.10% |
| Industrial Conglomerates | 12.98% | 15.14% | -2.16% |
| Holding Companies | 0.39% | 0.65% | -0.26% |
| Food & Drug Retailing | 3.51% | 3.58% | -0.07% |
| Healthcare Providers & Services | 0.00% | 0.00% | 0.00% |
| Chemicals | 6.61% | 6.79% | -0.18% |
| Oil & Gas | 4.83% | 4.78% | 0.05% |
| Construction Materials | 0.44% | 1.19% | -0.75% |
| Metals & Mining | 2.85% | 2.79% | 0.06% |
| Cash | 1.86% | 0.00% | 1.86% |
| Total | 100% | 100% | 0.00% |

Valuation Matrix

As of the end of the month, the valuation of the portfolio vs. the QERI Index are as shown below:

| | Portfolio | Index | Relative |
|-------------------------------------|-----------|-------|----------|
| Price to Earnings Ratio (P/E) (x) | 12.64 | 12.74 | -0.11 |
| Price to Book Ratio (P/B) (x) | 1.05 | 1.07 | -0.02 |
| Dividend Yield (%) | 5.23 | 5.30 | -0.07 |
| Price to Cash Flow Ratio (P/CF) (x) | 11.41 | 11.66 | 0.25 |

Performance



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| Fund Management Team | |
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