

## Al Watani Fund 2 (for Non Qatari) - Monthly Report for August 2021

### Investment Objective

The primary aim of Al Watani Fund is to outperform the benchmark S&P Index while seeking to reduce the risks associated with the investment

**Total Net Asset value (in QAR)**

**8,496,284**

**Total Net Asset value per unit (in QAR)**

**20.44**

Fund Information	Particulars	Performance Summary	WF2	Index
Fund Type	Open-End Fund	Since Inception (Oct'2005)	104.40%	-18.15%
Currency	Qatari Riyal	Year 2015	-11.60%	-15.11%
Regulator	Qatar Central Bank	Year 2016	-0.57%	-2.93%
Fund Manager	QNB Suisse SA	Year 2017	-9.80%	-16.30%
Subscription/Redemption	Monthly	Year 2018	20.60%	15.53%
Management Fee	1.5% p.a	Year 2019	2.18%	-3.27%
Auditor	KPMG	Year 2020	7.55%	0.55%
Custodian	QNB	MTD (August 2021)	2.61%	2.80%
Benchmark Index:	Standard & Poor's Qatar Domestic Index (Custom)	YTD (2021)	9.54%	6.99%
		Beta	0.83	1.00
		Standard Deviation*	20.89%	23.97%

### Fund Manager Comment

#### Performance for the Month

The benchmark gained 2.80% while both the Qatar Exchange index (QE) and Qatar Exchange Islamic index (QERI) gained 3.16% during the month of August. The Index broke out of the three month trading range driven by a broad participation of stocks across the market. Global equity markets maintained their upward trajectory; MSCI World powered to another 1.81% gain. Developed world markets continued to outperform the emerging markets however, at a more modest rate. The S&P 500 gained 2.32% while the MSCI EM index gained 1.23% driven by a bounce in Chinese technology stocks. Global commodity complex took a breather during the month declining marginally by 0.3% as indicated by the Bloomberg Commodity Index. The Brent Crude oil benchmark declined by 4.38% during the month. Foreign Institutional Investors net bought USD 227 Mn. Regional markets were mostly in the green; Abu Dhabi market was the best outperformer gaining 5.01%. In year to date 2021 the fund's NAV increased by 9.54% vs. 6.99% increase in the benchmark index, outperforming by 2.55%.

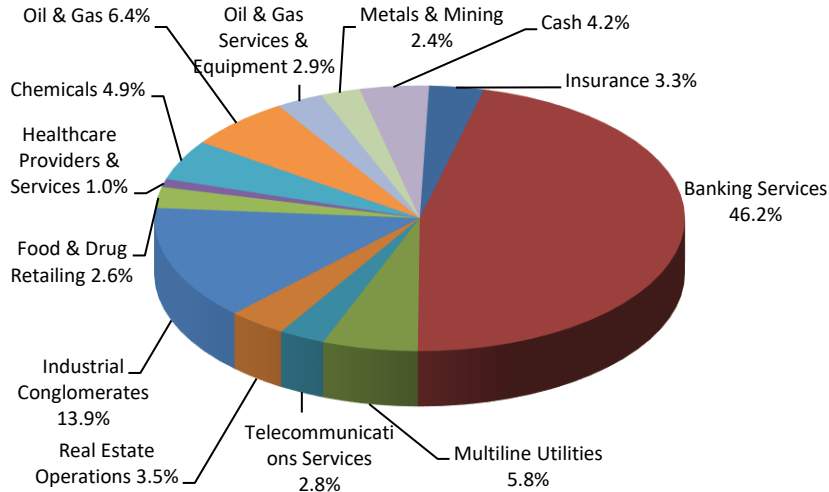
#### Market Review

The banking sector rallied 5.5% in August driven by news that change in foreign ownership limits will attract passive foreign flows into Qatar. Commercial Bank (CBQK) rallied 9.8%, Qatar International Islamic rallied 6.3% and Masraf Al Rayyan (MARK) rallied 5.3%. Baladna (BLDN) was the best performing stock in the QE Total Return Index (QETR) driven by a relief rally. Qatar Aluminium was the 2<sup>nd</sup> best performing stock driven by rising aluminium prices. Industries Qatar was the worst performing stock, down 3.7% on profit taking. Ooredoo also fell 2.5% after it delayed again the negotiations regarding the sale of its Indosat subsidiary to CK Hutchison in Hong Kong.

#### Portfolio Investment Strategy

Longer term fundamentals for Qatar are positive. In the short term, strong momentum is proving more important than valuations which will continue as long as economic and monetary conditions remain supportive. The overbought conditions have now eased with a sideways correction so another move up could occur from here. Any major correction in the index will be an opportunity to buy Qatari equities.

## Sector Allocation



## Fund Management Team

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