

QNB Debt Fund - Monthly Report for August 2022

Investment Objective

To provide investors with competitive, investment returns from selected bonds issued by reputable companies located in Qatar and the other member nations of the Gulf Cooperation Council and their entities in any region with a fund's maximum average portfolio duration of four years.

Total Net Asset value (in QAR)	Total Net Asset value per unit month of August - 22 (in QAR)	Total Net Asset value per unit month of July - 22 (in QAR)
36,294,248.24	12.610	12.490

	Fund	Benchmark
1 Month	0.96 %	0.25 %
Year to Date	-4.10 %	0.94 %
1 year	-3.92 %	1.14 %
3 Years	0.16 %	3.54 %
Since Inception	26.10 %	13.41 %

Annualised Returns (%)

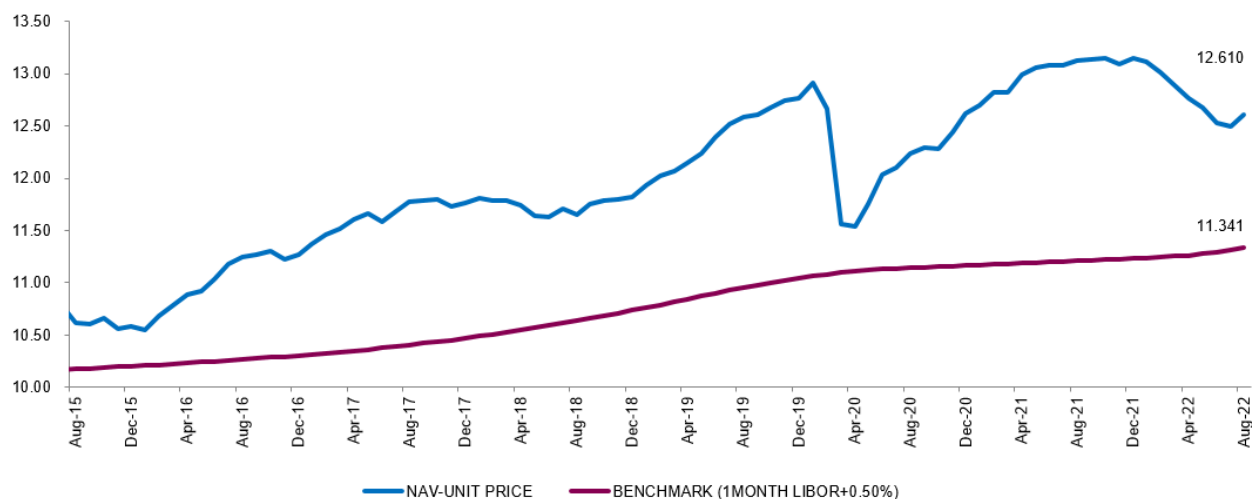
2021	4.22 %	0.61 %
2020	-1.19 %	1.13 %
2019	8.04 %	2.83 %
2018	0.48 %	2.55 %
2017	4.32 %	1.61 %
2016	6.52 %	1.01 %
2015	-0.48 %	0.70 %
2014	4.39 %	0.66 %
2013	1.89 %	0.64 %

Risk Indicators

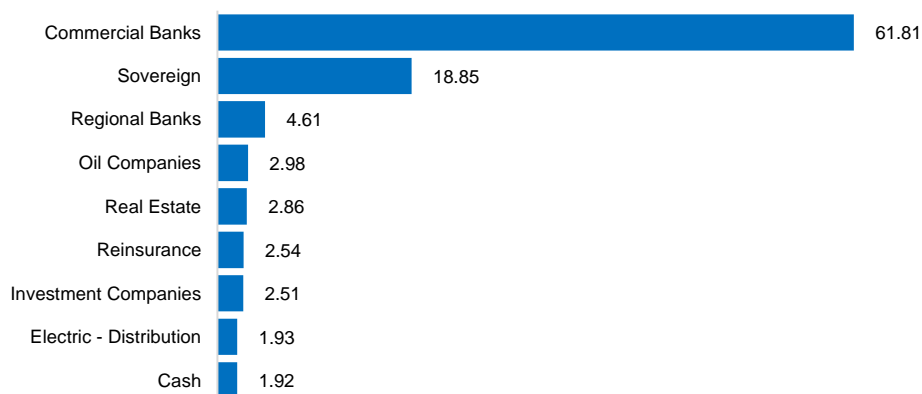
St. Deviation (3 years)	5.92 %	0.22 %
Sharpe (3 years)	0.07	-4.02

Fund Information	Particulars	Fund Manager Comment
Fund type	Open-End Fund	<p>During August, US and global economies continued to slowdown evident from data points released. Inflation came lower at 8.5% lower than the previous print and yet the level appears to be elevated to keep the Fed officials at unease. In addition, strength of the labor markets does not appear to be cooling down despite monetary tightening policies of the Fed. Chairman Powell during his speech at Jackson Hole iterated the need to strongly counter inflation together while confirming the strong hawkish stance at present. The Russia-Ukraine war continued during the month crossing the six-month period without much of a resolution.</p> <p>US 10-year treasury rate ended higher at 3.19 % from 2.64 % of previous month mainly due to hawkish confirmation of the Fed during the month. In addition, expected reduction in asset purchase by the Fed (QT) also had an impact on the increase. We continue to maintain lower duration as the impact of rate elevation is lower on shorter end compared to the longer end.</p> <p>Brent ended lower at c. USD 96.49 from USD 110.01 as of the previous month amid lower global growth. Yet the elevated price levels have impacted GCC Sovereign financial strength materially with improved outlook and increased reserve levels. Consequently, spread levels of regional credits remain low. Regional IG and HY space still appear favorable compared to the global counterparts and will continue to attract flows from yield seeking investors.</p> <p>As of August 2022, QNB Debt Fund held 28 holdings with a long-term gross yield of c. 6.2 % p.a and a duration of c. 3.0 Years</p>
Category	Fixed Income	
Style	Active	
Geography	Qatar	
Subscription/Redemption	Monthly	
Minimum	QR 20,000	
Investment Management Fee	0.75 % p.a	
Subscription / Redemption Fee	Nil	
Benchmark	Libor + 50 bps	
Performance Fee	n/a	
Inception	January 2013	
Fund Currency	Qatari Riyal	
Auditor	Ernst & Young	
Regulator Founder	QCB – Qatar Central Bank	
Founder	QNB	
Investment Manager	QNB Suisse SA	
Custodian	HSBC	
Top 5 Holdings		
Issuer Name	Weight (%)	
1 QNB Finansbank	5.03 %	
2 National Bank of Oman	5.01 %	
3 Government of Oman	5.01 %	
4 Bank of Bahrain & Kuwait	4.94 %	
5 Sharjah Islamic Bank	4.92 %	

NAV Movement



Sector Allocation



Contact Details

Investment Manager	QNB Suisse SA
Fund Manager	Chanaka Dassanayaka CFA
Address	Quai du Mont-Blanc 1, 1201 Geneva
Telephone in Qatar	+974 4440 7339

Information

Bloomberg Ticker: QNBDEBT QD Equity
 Reuters Ticker: LP68186853
 Morningstar Ticker: F00000PXPQ