

QNB Debt Fund - Monthly Report for December 2021

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 December - 21 (in QAR)	Total Net Asset value per unit month of November - 21 (in QAR)
38,550,623.49	13.149	13.090

	Fund	Benchmark
1 Month	0.45 %	0.05 %
Year to Date	4.22 %	0.61 %
1 year	4.22 %	0.61 %
3 Years	11.25 %	4.64 %
Since Inception	31.49 %	12.36 %

Annualised Returns (%)

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)	5.83 %	0.29 %
Sharpe (3 years)	0.60	4.62

Fund Information

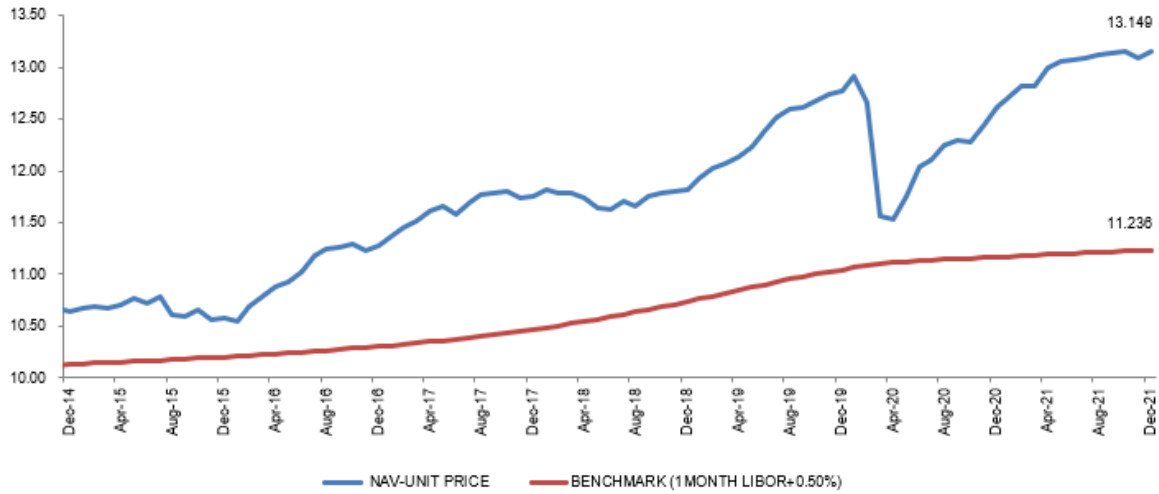
Particulars	Fund Manager Comment
Fund type	2021 ended differently than expected as the new covid variation Omicron emerged to take the overall virus situation in a different path. As of now it appears Omicron is not as severe as its previous versions but carries a much higher infection rate that has affected service sectors negatively at a global level. With vaccination programs on track, it is expected that the Omicron will be dealt with successfully but indeed it will create a dent in overall growth projections while keeping inflation on check.
Category	
Style	
Geography	
Subscription/Redemption	
Minimum	
Investment Management Fee	
Subscription / Redemption Fee	
Benchmark	
Performance Fee	
Inception	US 10-year treasury rate ended higher at 1.51% from 0.91% at the start of the year. US went on to be more hawkish compared to the start of year with firm communication over stimulus tapering and several rate hikes expected for 2022. But it remains to be seen if the Fed will go ahead as planned if the variant threat is high. In a moderate threat case, we can expect inflation to persist and the Fed to move ahead as planned.
Fund Currency	
Auditor	
Regulator Founder	
Founder	
Investment Manager	
Custodian	
	Brent ended higher at USD 78.4 from USD 51.80 as of beginning of the year mainly due to surge in demand driven by increased vaccination rate together with supply control by Opec+. Consequently, during the year GCC credit spreads improved compared to beginning of the year. Yet regional IG and HY space still appear favorable compared to the global counterparts and will continue to attract flows from yield seeking investors.

Top 5 Holdings

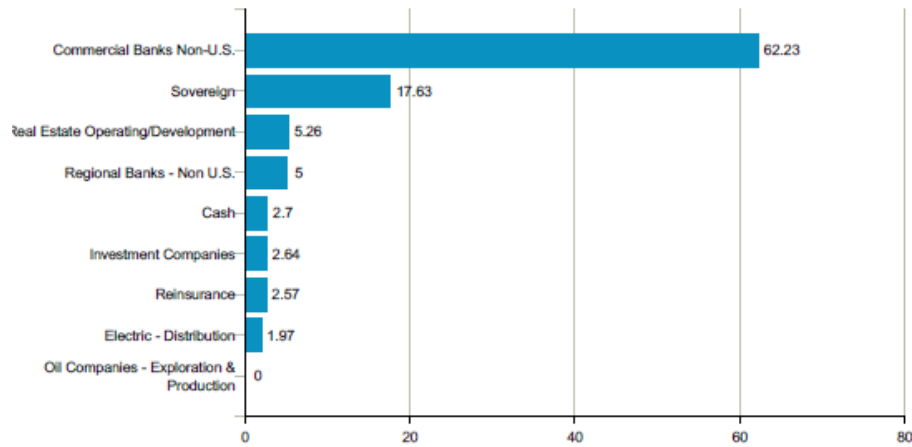
Issuer Name	Weight (%)
1 Kingdom of Bahrain	5.03 %
2 National Bank of Oman	4.91 %
3 Bank of Bahrain & Kuwait	4.89 %
4 Sultanate of Oman	4.87 %
5 Sharjah Islamic Bank	4.85 %

As of December 2021, QNB Debt Fund held 30 holdings with a long-term gross yield of c. 3.9 % p.a and duration of c. 3.7 Years.

NAV Movement



Sector Allocation



Contact Details

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Information

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