

## QNB Debt Fund - Monthly Report for June 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 June - 21 (in QAR) | Total Net Asset value per unit month of May - 21 (in QAR) |
|--------------------------------|--|---|
| 38,338,019                     | 13.075   | 13.054  |

|                 | Fund    | Benchmark |
|-----------------|---------|-----------|
| 1 Month         | 0.16 %  | 0.05 %    |
| Year to Date    | 3.63 %  | 0.31 %    |
| 1 year          | 8.61 %  | 0.64 %    |
| 3 Years         | 12.43 % | 5.77 %    |
| Since Inception | 30.75 % | 12.02 %   |

### Annualised Returns (%)

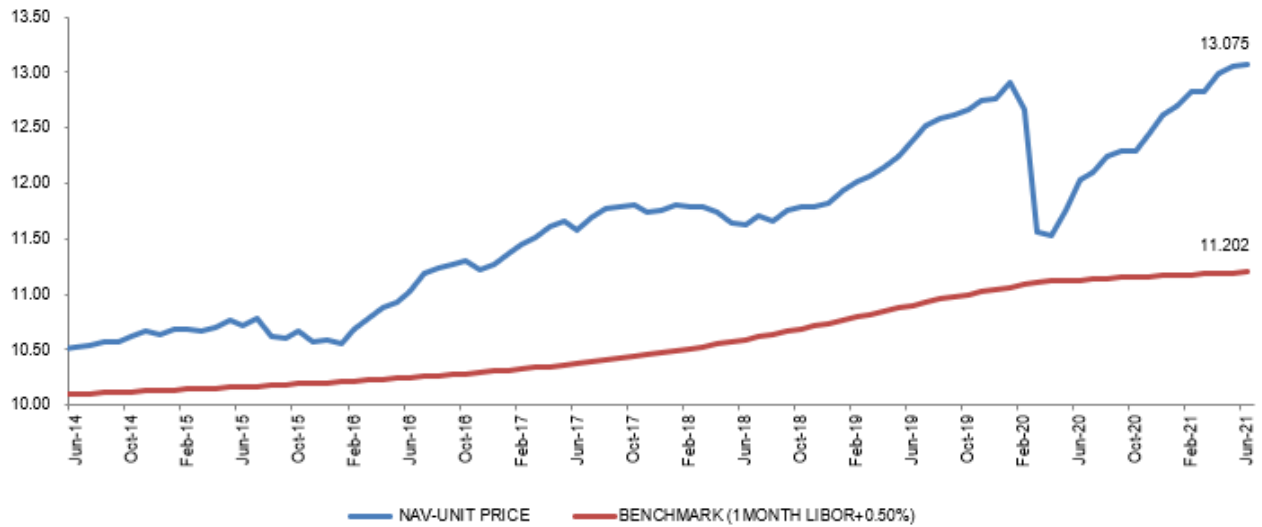
|      |         |        |
|------|---------|--------|
| 2020 | -1.19 % | 1.13 % |
| 2019 | 8.04 %  | 2.83 % |
| 2018 | 0.48 %  | 2.55 % |
| 2017 | 4.32 %  | 1.61 % |
| 2016 | 6.52 %  | 1.01 % |
| 2015 | -0.48 % | 0.70 % |
| 2014 | 4.39 %  | 0.66 % |
| 2013 | 1.89 %  | 0.64 % |

### Risk Indicators

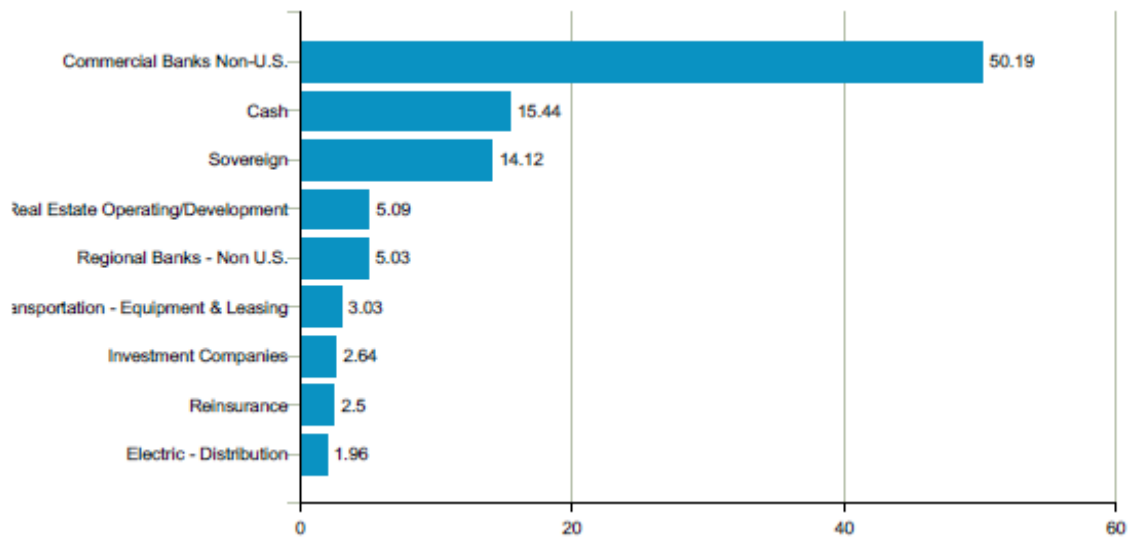
|                         |        |        |
|-------------------------|--------|--------|
| St. Deviation (3 years) | 5.84 % | 0.29 % |
| Sharpe (3 years)        | 0.62   | 4.71   |

| Fund Information              | Particulars              | Fund Manager Comment  |
|-------------------------------|--------------------------|---|
| Fund type                     | Open-End Fund            | <p>Economic data improved in June with lockdowns continuing to ease in developed markets along with speedier vaccine rollouts globally which has improved the optimism on return to normality compared to the beginning of the year. However, caution remains with certain emerging markets being hit hard by the new virus strains. Gradual opening of the economies in line with the vaccine rollout could lead to economic reflation with stronger demand levels.</p> <p>During the month US 10-year treasury rate was almost flat with the rate ending at 1.47% from 1.59 % a month earlier. In general, a higher 10-year US Treasury level is predicted as a consequence of the expected inflation that would have an impact beyond reflation. However, this expectation is weighed down by the Fed official's negative comments on inflation being transitory and not sticky. US and other major central banks continue to support the respective economies with ongoing stimulus. It is hard to envisage a significant deviation from accommodative policies that prevail in US and elsewhere until a strong recovery is made. However as of late a hawkish view has emerged from the US Fed with regards to tapering of the ongoing asset purchases which is noteworthy.</p> <p>Regional credits ended positive during the month with the benchmark rates rallying. Brent ended higher at USD 75.13 from USD 69.32 as of previous month. Elevation of energy price levels is mainly driven by the expected increase in activity following the vaccine rollout. Regional IG and HY space still appear favorable compared to the global counterparts and will attract flows from yield seeking investors.</p> <p>As of June 2021, QNB Debt Fund held 24 holdings with a long-term gross yield of c. 3.1 % p.a and duration of c. 3.4 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 Bank of Bahrain & Kuwait    | 5.02 %                   |   |
| 2 National Bank of Oman       | 4.98 %                   |   |
| 3 Sharjah Islamic Bank        | 4.93 %                   |   |
| 4 Sultanate of Oman           | 4.92 %                   |   |
| 5 Emirate of Sharjah          | 4.89 %                   |   |

## 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