

QNB Debt Fund - Monthly Report for June 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 June - 22 (in QAR)	Total Net Asset value per unit month of May - 22 (in QAR)
36,214,631.17	12.529	12.676

	Fund	Benchmark
1 Month	-1.16 %	0.13 %
Year to Date	-4.72 %	0.49 %
1 year	-4.18 %	0.79 %
3 Years	1.13 %	3.58 %
Since Inception	25.29 %	12.91 %

Annualised Returns (%)

Year	Fund	Benchmark
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

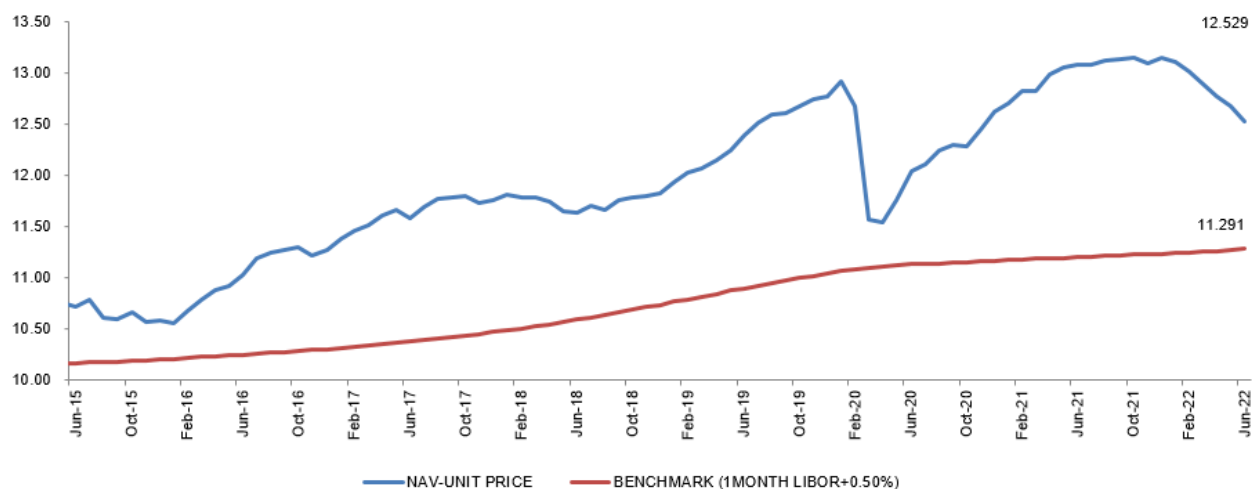
St. Deviation (3 years)	5.93 %	0.23 %
Sharpe (3 years)	0.28	1.53

Fund Information	Particulars	Fund Manager Comment
Fund type	Open-End Fund	<p>Month of June posted a similar degree of difficulty for investors of all asset classes similar to the preceding months. The current level of inflation is fueling an aggressive stance by the Fed/other central banks while investors remain cautious over the growth outlook going forward. The Russia-Ukraine war continued during the month without much resolution and China continues to grapple with Covid inducing much of the supply side inflation.</p> <p>US 10-year treasury rate ended higher at 3.01% from the 2.84 % of previous month but with intermonth volatility that got the rate to move as high as 3.47%. The Fed also hiked rates by 75 bps during the month as expected and is expected to hike several times during the year with terminal rates being expected to be close to 3.5%. We continue to maintain lower duration as the impact of rate elevation is higher compared to the shorter end elevation.</p> <p>Brent ended marginally lower at c.USD 114.81 from USD 122.84 as of the previous month. The elevated price levels have impacted GCC Sovereign financial strength materially with improved outlook and increased reserve levels. Regional IG and HY space still appear favorable compared to the global counterparts and will continue to attract flows from yield seeking investors.</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	<p>As of June 2022, QNB Debt Fund held 28 holdings with a long-term gross yield of c. 6.1 % p.a and a duration of c. 3.2 Years.</p>
Fund Currency	Qatari Riyal	
Auditor	Ernst & Young	
Regulator Founder	QCB – Qatar Central Bank	
Founder	QNB	
Investment Manager	QNB Suisse SA	
Custodian	HSBC	

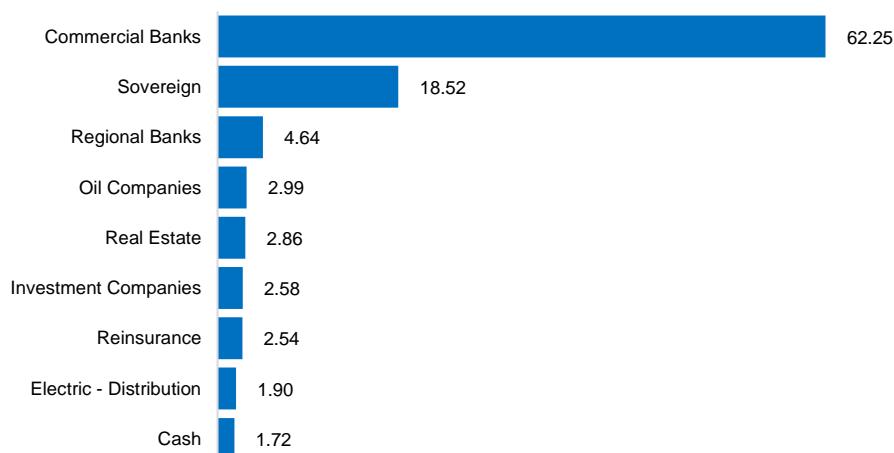
Top 5 Holdings

Issuer Name	Weight (%)
1 National Bank of Oman	5.02 %
2 QNB Finansbank	5.01 %
3 Bank of Bahrain & Kuwait	5.00 %
4 Sharjah Islamic Bank	4.97 %
5 Government of Oman	4.95 %

NAV Movement



Sector Allocation



Contact Details

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Information

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