

QNB Debt Fund - Monthly Report for March 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 March - 22 (in QAR)	Total Net Asset value per unit month of February - 22 (in QAR)
37,246,666.39	12.886	13.011

	Fund	Benchmark
1 Month	-0.96 %	0.06 %
Year to Date	-2.00 %	0.16 %
1 year	0.50 %	0.62 %
3 Years	6.80 %	4.02 %
Since Inception	28.86 %	12.54 %

Annualised Returns (%)

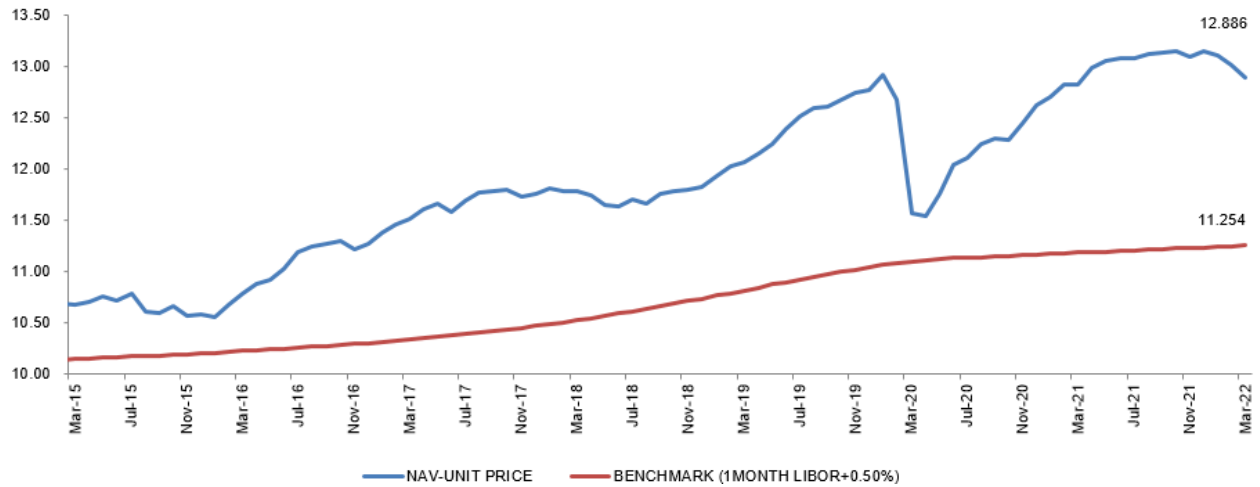
2021	4.22 %	0.61 %
2020	-1.19 %	1.13 %
2019	8.04 %	2.83 %
2018	0.48 %	2.55 %
2017	4.32 %	1.61 %
2016	6.52 %	1.01 %
2015	-0.48 %	0.70 %
2014	4.39 %	0.66 %
2013	1.89 %	0.64 %

Risk Indicators

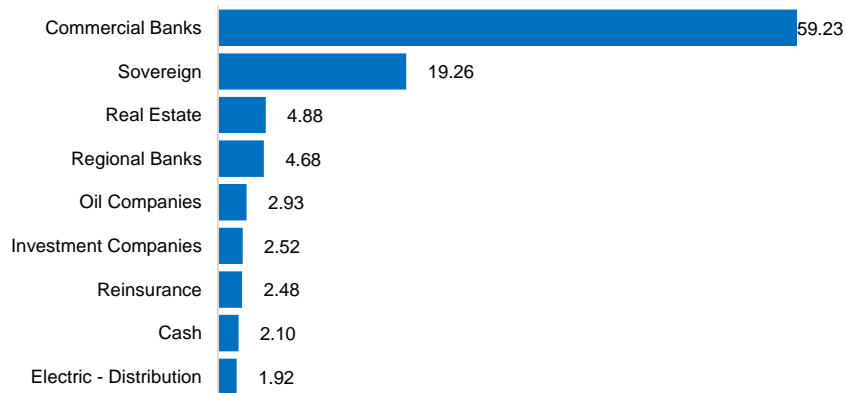
St. Deviation (3 years)	5.89 %	0.27 %
Sharpe (3 years)	0.51	4.62

Fund Information	Particulars	Fund Manager Comment
Fund type	Open-End Fund	Month of March started with heightened fear of the escalating Russia-Ukraine war but the month ended with heightened rhetoric over the yield curve situation and possible consequences of yield curve being inverted. War situation has not come to a resolution so far but rest of the world is impacted from the inflation emanating from it.
Category	Fixed Income	
Style	Active	
Geography	Qatar	
Subscription/Redemption	Monthly	
Minimum	QR 20,000	US 10-year treasury rate ended higher at 2.33% from the 1.82% of previous month. Fed has communicated strong preference to stick with an aggressive rate hike cycle this year. Current inversion of the yield curve is consequent to having these hikes built in to the shorter end of the curve. However, upon more clarity on balance sheet reduction we could expect the slope of the curve to remerge. We continue to maintain lower duration as the impact of rate elevation is higher compared to the shorter end elevation.
Investment Management Fee	0.75 % p.a	
Subscription / Redemption Fee	Nil	
Benchmark	Libor + 50 bps	
Performance Fee	n/a	
Inception	January 2013	Brent ended higher at c.USD 108 from USD 101 as of previous month mainly due to geopolitical events at present. Regional IG and HY space still appear favorable compared to the global counterparts and will continue to attract flows from yield seeking investors.
Fund Currency	Qatari Riyal	
Auditor	Ernst & Young	
Regulator Founder	QCB – Qatar Central Bank	
Founder	QNB	
Investment Manager	QNB Suisse SA	As of March 2022, QNB Debt Fund held 29 holdings with a long-term gross yield of c. 4.8 % p.a and a duration of c. 3.6 Years.
Custodian	HSBC	
Top 5 Holdings		
Issuer Name	Weight (%)	
1 Kingdom of Bahrain	5.12 %	
2 Bank of Bahrain & Kuwait	5.00 %	
3 National Bank of Oman	4.95 %	
4 Sharjah Islamic Bank	4.93 %	
5 Sultanate of Oman	4.93 %	

NAV Movement



Sector Allocation



Contact Details

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Information

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