

QNB Debt Fund - Monthly Report for May 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 May - 22 (in QAR)	Total Net Asset value per unit month of April - 22 (in QAR)
36,640,243.96	12.676	12.771

	Fund	Benchmark
1 Month	-0.74 %	0.11 %
Year to Date	-3.60 %	0.35 %
1 year	-2.90 %	0.71 %
3 Years	3.57 %	3.70 %
Since Inception	26.76 %	12.75 %

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

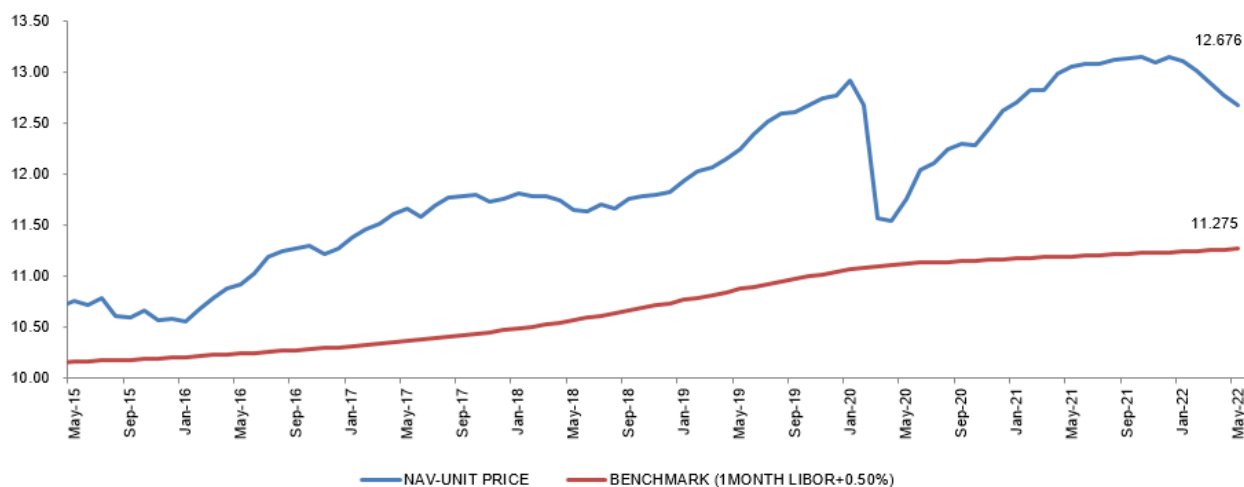
St. Deviation (3 years)	5.93 %	0.24 %
Sharpe (3 years)	0.36	2.69

Fund Information	Particulars	Fund Manager Comment
Fund type	Open-End Fund	<p>Month of May didn't look favorable compared to the preceding months of the year with inflation being sticky and strong globally along with labor market tightness. The current level of inflation is fueling aggressive stance of the Fed/other central banks while investors remain cautious over growth outlook going forward. Russia-Ukraine war continued during the month without much resolution while China continues to grapple with Covid inducing much of the supply side inflation.</p> <p>US 10-year treasury rate ended lower at 2.84% from the 2.93 % in previous month consequent to safe haven flows much to do with global market volatility. Fed also hiked rates by 50 bps during the month as expected and is expected to hike several times during the year with terminal rate being expected to be close to 3%. 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 higher at c.USD 122 from USD 109 as of 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> <p>As of May 2022, QNB Debt Fund held 28 holdings with a long-term gross yield of c. 5.6 % p.a and a 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	

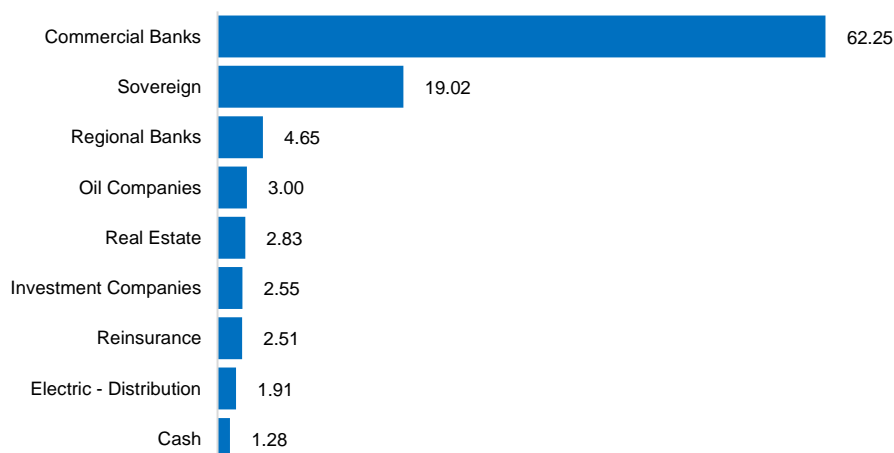
Top 5 Holdings

Issuer Name	Weight (%)
1 QNB Finansbank	5.02 %
2 Bank of Bahrain & Kuwait	5.01 %
3 National Bank of Oman	4.98 %
4 Kingdom of Bahrain	4.97 %
5 Sharjah Islamic Bank	4.95 %

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