

## QNB Debt Fund - Monthly Report for September 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 September - 22 (in QAR)	Total Net Asset value per unit month of August - 22 (in QAR)
35,649,077.19	12.386	12.610

	Fund	Benchmark
1 Month	-1.78 %	0.25 %
Year to Date	-5.80 %	1.19 %
1 year	-5.72 %	1.35 %
3 Years	-1.79 %	3.58 %
Since Inception	23.86 %	13.70 %

### 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)	6.01 %	0.23 %
Sharpe (3 years)	-0.04	-5.57

### Fund Information

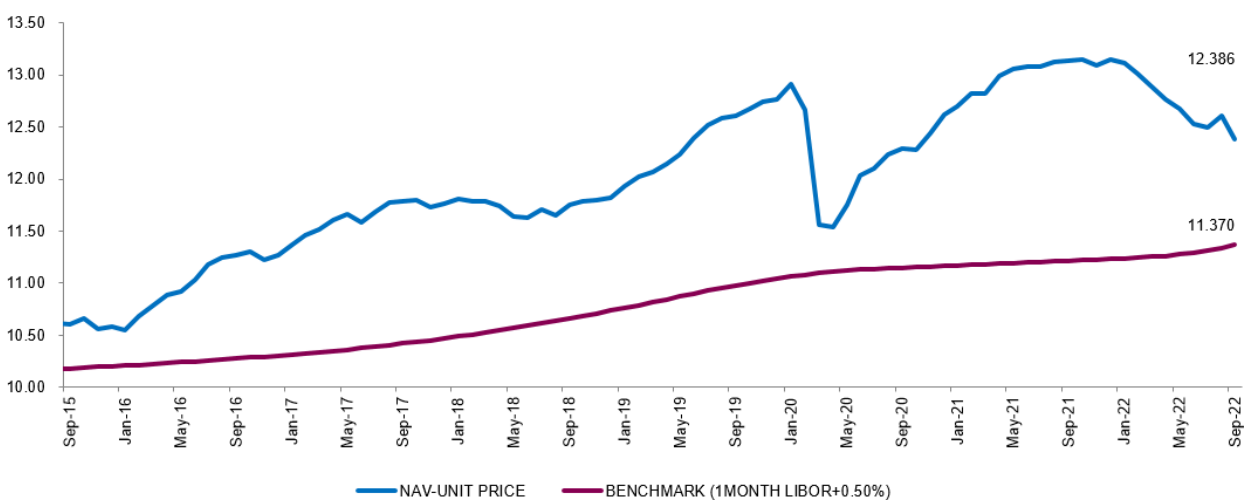
Particulars	Fund Manager Comment
Fund type	<p>During September, US and global economies continued to slowdown evident from data points released. Inflation came lower at 8.3% lower than the previous print and yet the level appears to be elevated to keep the Fed officials at unease. In addition, strength of the labor markets does not appear to be cooling down despite monetary tightening policies of the Fed. Chairman Powell iterated the need to strongly counter inflation while hinting a compromise on overall growth. The Russia-Ukraine war continued during the month crossing the seven-month period without much of a resolution.</p> <p>US 10-year treasury rate ended higher at 3.82 % from 3.19 % in the previous month. Yet the yield curve remains inverted with 1-3 year US treasury curve segment remain close to 4% - 4.3%. This was as a consequence of the third successive 75 bps hike by the Fed this year taking the Fed rate to 3.25% while the consensus remaining strong for an aggregate hike of 1.25 % from the next two rate hikes this year. We continue to maintain lower duration as the impact of rate elevation is lower on shorter end compared to the longer end.</p> <p>Brent ended lower at c. USD 87.96 from USD 96.49 of previous month amid lower global growth projections. Yet the elevated price levels have impacted GCC Sovereign financial strength materially with improved outlook and increased reserve levels. GCC spread levels of regional credits widened marginally though they remain low historically. 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	
Style	
Geography	
Subscription/Redemption	
Minimum	
Investment Management Fee	
Subscription / Redemption Fee	
Benchmark	
Performance Fee	
Inception	
Fund Currency	
Auditor	
Regulator Founder	
Founder	
Investment Manager	
Custodian	

### Top 5 Holdings

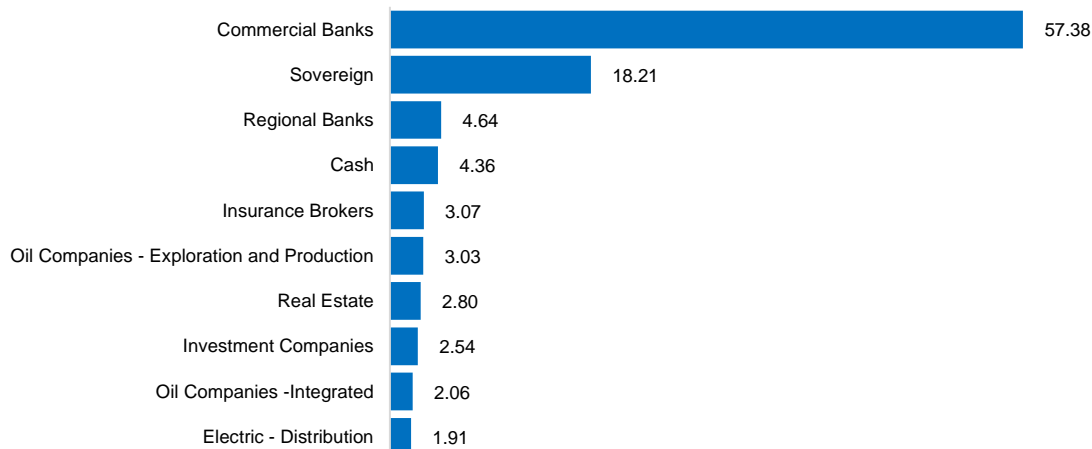
Issuer Name	Weight (%)
1 National Bank of Oman	5.07 %
2 QNB Finansbank	5.06 %
3 Government of Oman	5.00 %
4 Bank of Bahrain & Kuwait	4.96 %
5 Sharjah Islamic Bank	4.95 %

As of September 2022, QNB Debt Fund held 28 holdings with a long-term gross yield of c. 6.4 % p.a and a duration of c. 3.1 Years.

## NAV Movement



## Sector Allocation



## Contact Details

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## Information

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