

## Al-Beit Al Mali Fund

### Fund Objective & Strategy

The fund's objective is to achieve capital appreciation by investing in Sharia-compliant companies listed on the Qatar Exchange as per the predefined Sharia criteria set forth in Qatar.

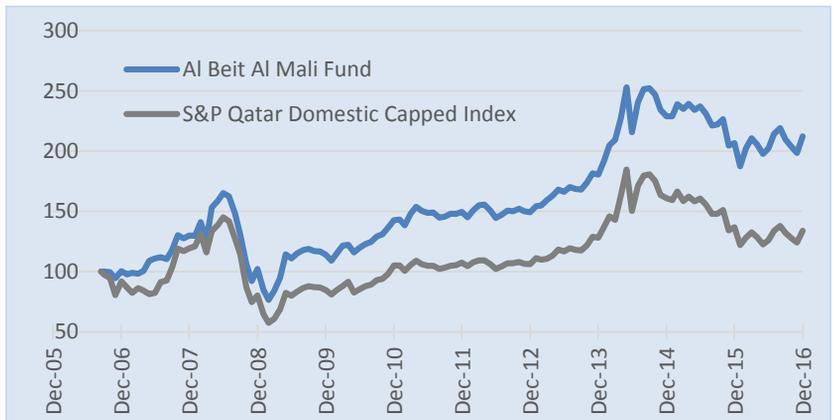
### Fund Information

<b>Asset Type</b>	Equity
<b>Geographic Focus</b>	Qatar
<b>Fund Manager</b>	Amwal LLC
<b>Founder</b>	Investment House Co.
<b>Regulator</b>	Qatar Central Bank
<b>Benchmark</b>	S&P Qatar Domestic Capped Index
<b>Fund Listing</b>	None
<b>Launch Date</b>	September 2006
<b>Structure</b>	Open-Ended
<b>NAV</b>	QR 18.12
<b>Total Return NAV</b>	QR 21.23
<b>Current Fund Size</b>	QR 77.53 million
<b>Base Currency</b>	Qatari Riyal
<b>Initial Investment</b>	QR 250,000
<b>Subsequent Investment</b>	QR 25,000
<b>Subscription &amp; Redemption</b>	Monthly
<b>Initial Charge</b>	Up to 2.0%
<b>Founder Fee</b>	0.375% per annum
<b>Management Fee</b>	1.0% per annum
<b>Custodian Fee</b>	0.5% per annum
<b>Performance Fee</b>	15% over any annual return exceeding 10%
<b>Redemption Fee</b>	None
<b>Custodian</b>	Qatar National Bank
<b>Auditors</b>	Ernst & Young
<b>License No. of Fund</b>	I.F/5/2006
<b>Fund Registration No. at Ministry of Economy &amp; Commerce</b>	33162

### Risk Metrics Since Inception

<b>Tracking Error</b>	9.2%
<b>Beta</b>	0.81
<b>Information Ratio</b>	0.41
<b>Volatility of Fund</b>	21.0%
<b>Volatility of Benchmark</b>	23.9%
<b>Sharpe Ratio of Fund</b>	0.40
<b>Sharpe Ratio of Benchmark</b>	0.19

### QAR 100 Invested Since Inception



### Cumulative Returns

	1M	3M	YTD	1Y	2Y	*SI
<b>Fund</b>	+6.9%	+1.2%	+2.7%	+2.7%	-7.3%	+112.3%
<b>Benchmark</b>	+8.0%	+1.5%	-2.1%	-2.1%	-16.7%	+34.1%
<b>Difference</b>	-1.1%	-0.3%	+4.8%	+4.8%	+9.4%	+78.2%

\* Since Inception (September 2006)

Note: Benchmark returns for 2016 calculated using last traded prices, while portfolio returns calculated using last bid prices.

### Yearly Performance Ending 31<sup>st</sup> December

	2009	2010	2011	2012	2013	2014	2015	2016
<b>Fund</b>	11.8%	25.1%	4.8%	-0.2%	21.0%	26.8%	-9.7%	+2.7%
<b>Benchmark</b>	5.4%	24.1%	2.3%	-1.2%	20.7%	25.5%	-14.9%	-2.1%

### Fund Performance & Market Commentary

The Qatar Stock Exchange witnessed a strong rally during the month of December breaking a series of declines that started in September. The DSM rallied circa 6.5% to close the year in the green by inching 0.1% up! The rally was on the back of regional positive sentiment at large and a bullish sentiment from foreign and regional institutions on the Qatari market specially after the Ministry of Finance announced the budget for 2017 where Qatar addressed its commitment to reduce the planned deficit by 38.9% from QAR46.5bn in 2016 to QAR28.4bn in 2017. The decline in deficit will stem from a pickup in government revenues and introducing further efficiencies to its current expenditure. It is worth noting that most local institutional and retail investors were net sellers.

During December, the Fund appreciated by 6.9% compared to the Benchmark which rallied around 8.0%. Closing the year, the Fund is up 2.7% while the Benchmark is down 2.1%, a circa 5% outperformance. The YTD outperformance is attributed to our fundamental driven investment approach and active management style where we took active conviction bets that not only outperformed the markets but also proved to be defensive in nature during market declines.

Our selective overweight exposure to names like QIB, Ooredoo and Qatar Electricity, contributed positively to our return for the year. While our decision to shy away from Vodafone, insurance sector and underweighting the real estate sector helped in preserving the Fund's capital.

We begin the corporate announcements season soon, and remain confident in our core holdings and expect them to continue outperforming the market. We have been investigating further investment ideas during December and are waiting for the full year results to finalize our investment cases. We expect the Qatari market to continue its positive trend into 2017 as the government showed clear signs of deficit reduction, growth support through higher capital spending to support the economic diversification plan, infrastructure spending and the preparation for the 2022 World Cup.

### Top Three Overweight/Underweight versus Benchmark

*This section is only available to investors*

### Top Three holdings

*This section is only available to investors*

### Market Cap Weightings

*This section is only available to investors*

### Sector Breakdown

*This section is only available to investors*

### For Further Information

#### Fund Manager

Amwal LLC  
22<sup>nd</sup> Floor, Amwal Tower,  
West Bay, PO Box 494, Doha, Qatar

Tel: +974 4452 7777

Fax: +974 4411 7426

[www.amwal.qa](http://www.amwal.qa)

#### Founder

Investment House Co.  
Regulated by Qatar Central Bank  
Tornado Tower, 35<sup>th</sup> Floor,  
PO Box 22633, Doha, Qatar

Tel: +974 4420 0300

Fax: +974 4483 4449

[www.invhouse.com](http://www.invhouse.com)

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