

AL HAYER FUND - CLASS 'A' (For Qatari Investors)

Monthly Report for April 2015



Fund Information		Performance Summary		
Investment Objective	Long term capital appreciation through investing in listed Qatar and GCC equities.	Fund NAV	April 2015 - USD 119.91 per unit March 2015 - USD 111.53 per unit	
Fund Currency & Type	USD - Open Ended	Fund Size	USD 11.9 million	
Founder	Doha Bank Q.S.C.	Performance Metrics	Fund	Index
Fund Manager	Amwal LLC	Return - April 2015	7.5%	11.1%
Subscription/Redemption	Monthly	Return - YTD 2015	10.2%	11.5%
Management Fee	1.5%	Return - Since Inception*	19.9%	19.2%
Auditor	Ernst & Young	Annualized Volatility*	14.2%	20.0%
Investment Custodian	HSBC Bank Middle East Ltd, Qatar Branch	Sharpe Ratio*	0.81	0.60

*Inception date 23 September 2013

Fund Manager Comment

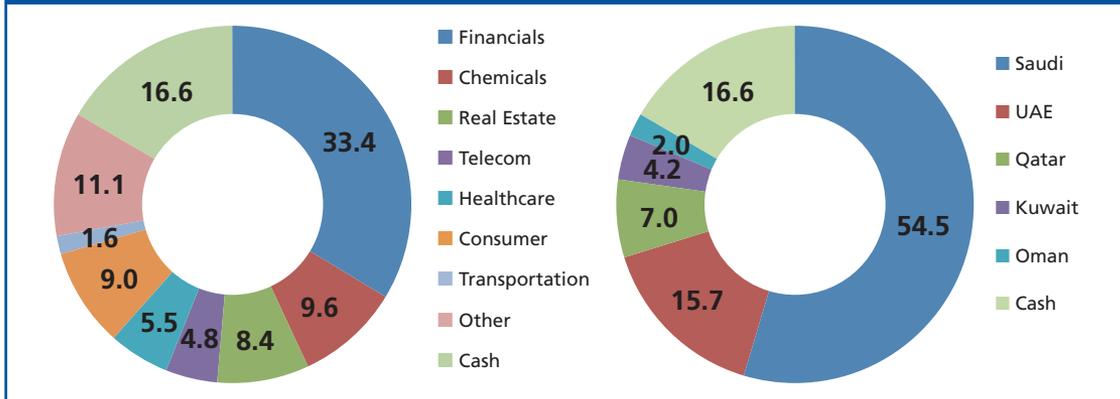
Fund performance: April was a very strong month for GCC equities, driven primarily by a formal announcement of Saudi stock market opening to foreigners in June, and partly by a recovery of oil price to around \$65 per barrel of Brent. Al Hayer Fund gained 7.5% in April and the GCC large cap index went up 11%, driven in part by speculation in stocks likely to be included in emerging market indices. The Saudi market index was up 12%, and among large caps Sabic was up 40% in April, the highest monthly gain in its entire trading history. Yansab was up 27%, and Maaden and Sipchem around 20%. Dubai was also strong, led by real estate names which were up around 20%. The rest of the region was up between 1-4%.

Manager Views on Equities: The key question on investors' minds is whether one should sell out of Saudi or wait for further gains, as fundamental valuations are now high, particularly for large caps stocks. Historically, index inclusion events in the region and in other emerging markets have led to around 15% increase in stock market value, and recent gains since the announcement bring Saudi gains to at around that level. While the fundamental story feels less compelling after these gains, in our view there are other additional factors to consider.

Once included in emerging markets indices (expected by 2017), Saudi could get USD 30 – 35 billion of foreign inflows, if foreign ownership levels go up to those seen in the UAE and Qatar. So, the possibility of further speculative gains remains. Further, while large caps are expensive, the overall market is more reasonably valued at around 17x consensus 2015 earnings, and we still see select value in certain mid to small caps.

Also to remind, the key economic driver for Saudi remains oil price, which has partially recovered from ~\$50 per barrel of Brent at the beginning of the year to around ~\$65 now. Saudi's budget breakeven is closer to \$90, if it wants to maintain its current level of spending. While accumulated wealth can cushion spending for some time, strength in long term economic outlook requires oil prices to recover to those breakeven levels.

Sector & Geographical Breakdown



Disclaimer

The above information should not be considered an offer, or solicitation to deal in the subject fund. Investments in this fund are not deposits in, obligations of, or guaranteed or insured by Amwal LLC (Fund Manager) or Doha Bank Q.S.C (Founder). Doha Bank Q.S.C is not responsible for the accuracy of the above quantitative and qualitative statements. This investment is subject to investment risks including possible loss of the principal amount invested. Unit values may rise or fall and past performance is not indicative of future performance. Investors should read the Articles of Association and Prospectus and seek relevant professional advice before making any investment decisions.

The Fund is licensed by the Qatar Central Bank (license number IF/15/2011), and registered with the Ministry of Business & Trade (registration number 57402). Amwal LLC is authorised by the Qatar Financial Centre Regulatory Authority. The Fund is not QFC-registered, and investors may not have the same access to information as a QFC-registered collective investment scheme. The Fund is not regulated by the QFCRA, and its prospectus and related documents have not been reviewed or approved by the QFCRA. Recourse against the Fund and related parties may have to be pursued in a jurisdiction outside the QFC.

4445 6006 www.dohabank.com.qa

