

December 2016

Fund Information	QGF Q	QGF N
Fund NAV Per Share (QAR)	117.7253	113.5959
Fund AUM (QAR)	QAR 6.5 million	QAR 8.9 million
Bloomberg Ticker	QTGATEQ QD	QTGATEN QD
Reuters Ticker	LP65038685	LP65038686

Q share class for Qatari investors; N share class for non-Qatari investors

Manager 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 5.6% and 5.7% compared to the Benchmark which rallied around 6.6%. Closing the year, the Fund is up 4.8% and 4.0% while the Benchmark is up 0.1%, 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 QNB, 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.

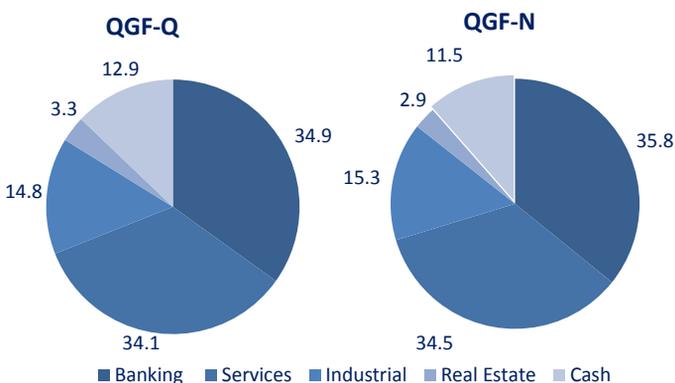
We begin the corporate announcements season soon, and remain confident in our core holdings and expect them to continue outperforming the market. We have been investigating further investment ideas during December and are waiting for the full year results to finalize our investment cases. We expect the 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.

Periodic Performance, %

	Dec 2016	YTD 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005*	Since Inception*
QGF Q	+5.6	+4.8	-14.4	+17.4	+25.4	-3.1	+7.1	+34.4	+9.4	-27.7	+38.8	-32.9	-13.4	+17.7
QGF N	+5.7	+4.0	-15.7	+18.4	+24.5	-2.7	+7.0	+37.1	+8.7	-27.2	+36.1	-32.7	-15.1	+13.6

* Fund inception in September 2005.

Sector Allocation, %



Cumulative Performance Since Inception



Risk / Return Metrics		1-Year	5-Year
Return	QGF Q	+4.8%	28.0%
	QGF N	+4.0%	25.9%
	QE Price Index	+0.1%	18.9%
Annualized	QGF Q	17.4%	14.5%
Volatility	QGF N	17.4%	14.3%
	QE Price Index	19.2%	17.5%
Sharpe Ratio*	QGF Q	NM	0.25
	QGF N	NM	0.23
	QE Price Index	NM	0.15

* Based on excess monthly return against 1-month QAR bank deposit rate. Note: QE Price Index returns calculated using last traded prices, while Portfolio returns calculated using last bid prices.

Top 3 Holdings, %

	QGF-Q	QGF-N
Qatar National Bank	14.2	13.9
Industries Qatar	12.7	13.2
Qatar Electricity & Water	7.3	7.3

Fund Objective and Investment Strategy

The Fund aims to achieve long term capital appreciation, through investments in publicly traded Qatar and GCC equity securities, with a focus on Qatari equities.

The Fund's investment strategy combines proprietary bottom-up fundamental analysis of individual stocks, top-down portfolio construction and risk management. The Fund's underlying investment style is long-term value investing.

Investment Manager

Amwal LLC is the Fund's investment manager. Based in Doha, Qatar, Amwal LLC is authorised by the QFCRA and wholly owned by Sheikha Hanadi Nasser Bin Khaled Al Thani.

Amwal serves institutional, family office and high net worth investors regionally and globally. We employ a research-driven approach committed to fundamental, proprietary research with a focus on total return and risk-adjusted performance.

Amwal offers global investors direct investment capabilities spanning Qatari, MENA and Turkish securities across equity, fixed income and absolute return strategies.

Key Terms & Conditions

Fund Founder	Ahli Bank Q.S.C.
Fund Manager	Amwal LLC
Investment Team	Talal Samhouri, CFA
Administrator and Custodian	HSBC Bank Middle East Ltd
Auditors	KPMG
Fund Type	Open-Ended
Inception Date	16 September 2005
Subscription/Redemption	Monthly
Next Subscription Deadline	29 Jan 2017
Next Redemption Deadline	17 Jan 2017
Management Fee	1.50% p.a.
Performance Fee	15% Over 10% Hurdle Rate
Custody and Administration Fee	0.30% p.a.

Contact Information

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Recent Awards

emeafinance

Amwal Awarded "Best Asset Manager in Qatar" by EMEA Finance 5 Years in a Row



"Amwal is a deserving winner, and has been a consistent performer delivering consecutive outperformance over the past 5 years"

EMEA Finance,
February 2016



"Amwal is an *alpha champion*, with its flagship fund outperforming its benchmark every calendar year since inception, an impressive 9 years running."

EMEA Finance,
February 2015



"...the firm's ability to consistently outperform the benchmarks across funds makes it a very deserving winner."

EMEA Finance,
January 2014



"...best-performing Qatar equity fund over various timeframes... should be applauded for performance in such a competitive market."

EMEA Finance,
January 2013



"We are very impressed with the performance of the firm's funds and the managers' consistent ability to outperform local and regional indices"

EMEA Finance,
February 2012

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