

# TFI GCC Equity Opportunities Fund (Q)

April 2013  
FACTSHEET

## Fund Objective

The First Investor GCC Equity Opportunities Fund (Q) (the "Fund") is an open-ended collective investment scheme registered under the Laws of Qatar, founded by Barwa Bank Q.S.C. and managed by The First Investor Q.S.C.C. The objective of the Fund is to achieve long-term capital growth through investments in a broadly diversified portfolio of equities and equity related securities of companies listed on exchanges within the Gulf Cooperation Council (the "GCC") countries. Investment in the Fund is limited to Qatari individuals and institutions. This fund was awarded "Best Islamic Investment Fund" by *Banker Middle East*, Product Awards 2013.



## Fund Facts

Fund Information		Top 5 Holdings			
Net Asset Value / Unit	30 April 2013	QAR 1,080.37	Industries Qatar	11.3%	
Net Asset Value / Unit	31 March 2013	QAR 1,045.10	Saudi Basic Industries Corp.	10.9%	
Fund Type	Open Ended, Shariaa Compliant			Etihad Etisalat	8.8%
Risk Level	High			Aramex	8.5%
Subscription / Redemption	Monthly			Al Rajhi Bank	8.2%
Next Subscription Deadline	26 May 2013			Fund Fees	
Next Redemption Deadline	19 May 2013			Subscription Fee	1.00%
Inception Date	31 October 2012			Management Fee	1.50% per year (paid monthly pro-rata)
Founder	Barwa Bank Q.S.C.			Performance Fee	10% p.a. above hurdle rate of 10%
Fund Manager	The First Investor Q.S.C.C.			Redemption Fee	0.50%
Custodian	HSBC Bank Middle East Limited, Qatar			Fund Capital	
Auditor	KPMG, Qatar			Assets Under Management	QAR100m
Benchmark	Bloomberg GCC 200			Minimum Subscription	QAR 100,000

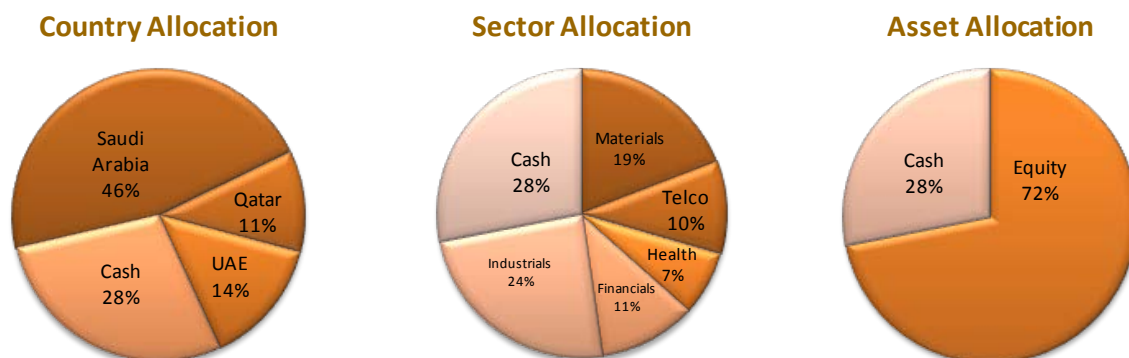
## Fund Managers Comment

In April, the Fund increased by 3.4% MoM while the Bloomberg GCC200 Index is up by 2.1% MoM. Since Inception (31<sup>st</sup> of October 2012) the fund is up by 8.0%. The fund is up 7.8% Year-to-Date (YTD).

Globally, equity markets continue to outperform most other asset classes as the global economy seems to be normalizing and expectations of a lingering low rate environment, the drop in commodity prices and the continuous decrease in systemic risks, volatility and credit default swaps are dictating higher earnings multiples for equities. Simply put, equities are benefitting from a rise in risk appetite and the lack of other attractive investment opportunities. Regionally, listed companies published better than expected 1st quarter earnings reports which acted as a positive catalyst on regional equities and outweighed possible valuations concerns.

We advocate the quality style comprising high growth, defensive earnings, high dividend yield and low debt / equity in the mid-large cap part of the market while escalating our appetite for beta. Within the GCC, we are overweight Saudi Arabia which trades at relatively attractive valuations, high dividend yields, strong visibility in cash flows, relatively high earnings growth and low(er) systemic risk (5 years sovereign KSA CDS trading at 64 vs. 122 GCC average). We also see a longer term catalyst in the fact that Saudi could be moving towards direct foreign ownership. On valuation, the GCC trades on 10.7x forward P/E yielding 3.4% and EM (Emerging Markets) on 10.8x forward P/E yielding 2.7%.

## Investment Allocation



## Fund Managers

**Robert Pramberger, CFA** (over 14 years of experience in financial markets)  
**Patrick Rahal** (over 8 years of experience in financial markets)

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