

# TFI GCC Equity Opportunities Fund (Q)

June 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 June 2013	QAR 1,111.42	Saudi Basic Industries Corp.	10.8%	
Net Asset Value / Unit	30 May 2013	QAR 1,114.83	Industries Qatar	9.3%	
Fund Type	Open Ended, Shariaa Compliant			DIB TIER 1 SUKUK LTD	6.8%
Risk Level	High			Etiihad Etisalat Co.	5.3%
Subscription / Redemption	Monthly			Yamamah Saudi Cement	5.2%
Next Subscription Deadline	25 July 2013			Fund Fees	
Next Redemption Deadline	18 July 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	QAR102m
Benchmark	Bloomberg GCC 200			Minimum Subscription	QAR 100,000

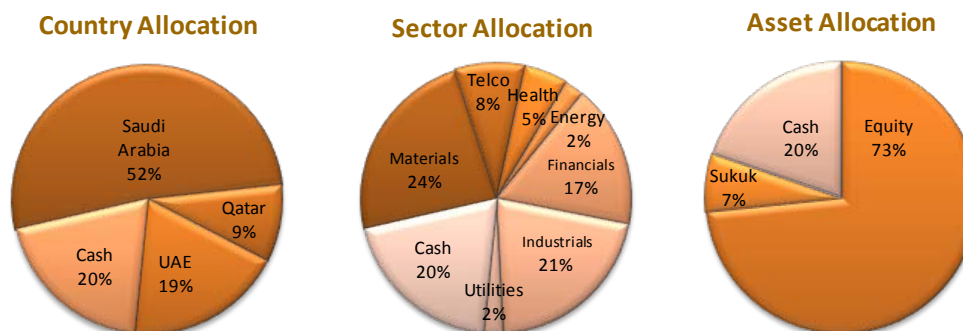
## Fund Managers Comment

In June, the Fund decreased by 0.3% MoM while the Bloomberg GCC200 Index decreased by 1.2% MoM. The fund is up c.11% Year-to-Date (YTD) while the Bloomberg GCC200 Index is up by c.10% over the same period.

Globally, most assets classes sold off during the month of June driven by expectations of quantitative easing tapering. From a strategic point of view, while volatility has momentarily increased, we deem the Fed's hawkish comments as positive for risky assets. Valuations have adjusted, and could become attractive as volatility normalizes. Regionally, MSCI upgraded both the UAE & Qatar from frontier to emerging market status; both markets will gradually benefit as they will enjoy better depth, breadth and liquidity as mammoth emerging markets trackers will be positioning in key names going forward. The GCC equity markets have outperformed its emerging markets peers during the latest risk-off wave.

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 slowly increasing 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 79 vs. 161 GCC average). We also see a longer term catalyst in the fact that Saudi could be moving towards direct foreign ownership and a more institutional-oriented equity market. On valuation, the GCC trades on 11.1x forward P/E yielding 3.3% and EM (Emerging Markets) on 10.4x forward P/E yielding 2.9%.

## 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)

PO BOX 27778, Doha - Qatar

Tel (974) 8008555

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