

TFI GCC Equity Opportunities Fund (Q)

OCTOBER 2015
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 countries. Investment in the Fund is limited to Qatari individuals & institutions. This fund was awarded "Best Islamic Investment Fund" in 2013 & "Best Fund" in Qatar in 2014 by *Banker Middle East*, Product Awards. The First Investor was awarded "Asset Manager of the Year" for Qatar by *Global Investor/ISF – Euromoney* in 2014.



Fund Facts

Fund Information		Top 5 Holdings	
Net Asset Value / Unit	31 October 2015 QAR 1,254.71	DIBUH 6 ¼ 01/29/49	7.4%
Net Asset Value / Unit	30 September 2015 QAR 1,247.13	ADIBUH 6 ¼ 10/29/49	7.4%
Fund Type	Open Ended, Shariaa Compliant	ALHILA 5 ½ 06/29/49	7.3%
Risk Level	High	Qatar Electricity & Water	6.4%
Subscription / Redemption	Monthly	Oman Telecom Co.	3.9%
Next Subscription Deadline	24 November 2015	Fund Fees	
Next Redemption Deadline	17 November 2015	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	QAR 103m
Benchmark	Bloomberg GCC 200	Minimum Subscription	QAR 100,000

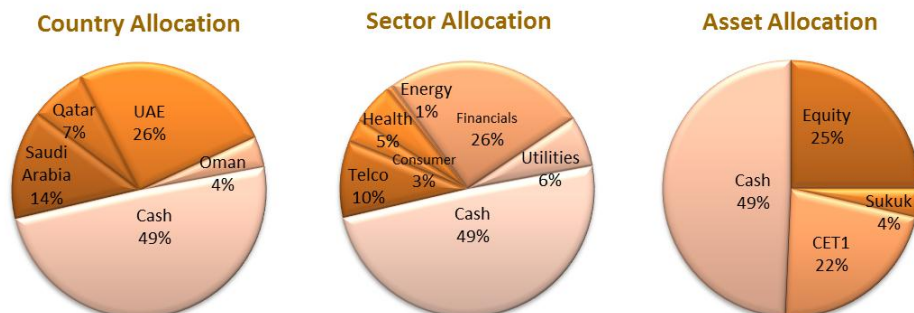
Fund Managers Comment

In October, the Fund increased by c.0.6% MoM while the Bloomberg GCC200 Index decreased by c.1.6% MoM. Since Inception (31st of October 2012), the Fund is up by c.25.5% (vs. c.14.9% for the BGCC200 Index) and down by c.4.1% year-to-date (vs. c.9.7% decrease for the BGCC200 Index) while focusing primarily on capital preservation.

In October, accommodative central banks and mixed earnings publications dictated the direction of the US & European financial markets. Regionally, equity markets decoupled from their global peers as disappointing 3Q15 earnings publications coupled with renewed concern over the prospect of government spending cuts continued to weight on risky asset prices. Given the heightened volatility and uncertainty about medium-term growth; we continue to overweight cash, sukuk and we focus on low beta stocks with strong visibility in cash flows and sustainable dividends.

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 actively managing beta. Within the GCC, we continue to favor 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 c.143 vs. c.155 GCC average). We also see a medium term catalyst in the fact that Saudi is moving towards a more institutional-oriented equity market. On valuation, the GCC trades on c.12.3x forward P/E yielding c.3.8% and EM (Emerging Markets) on c.12.3x forward P/E yielding c.2.9%.

Investment Allocation



Fund Managers

Robert Pramberger, CFA (15 years of experience in financial markets)
Patrick Rahal (10 years of experience in financial markets)

Bloomberg Ticker < TFIGCCF QD >

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