

TFI GCC Equity Opportunities Fund (Q)

JUNE 2014
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 2014	QAR 1,341.22	Saudi Basic Industries Corp.	9.1%	
Net Asset Value / Unit	31 May 2014	QAR 1,392.30	Industries Qatar	7.1%	
Fund Type	Open Ended, Shariaa Compliant			Al Meera Consumer Goods	5.4%
Risk Level	High			Qatar Navigation Co.	5.1%
Subscription / Redemption	Monthly			EtiHAD Etisalat	4.8%
Next Subscription Deadline	21 July 2014			Fund Fees	
Next Redemption Deadline	14 July 2014			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 139m
Benchmark	Bloomberg GCC 200			Minimum Subscription	QAR 100,000

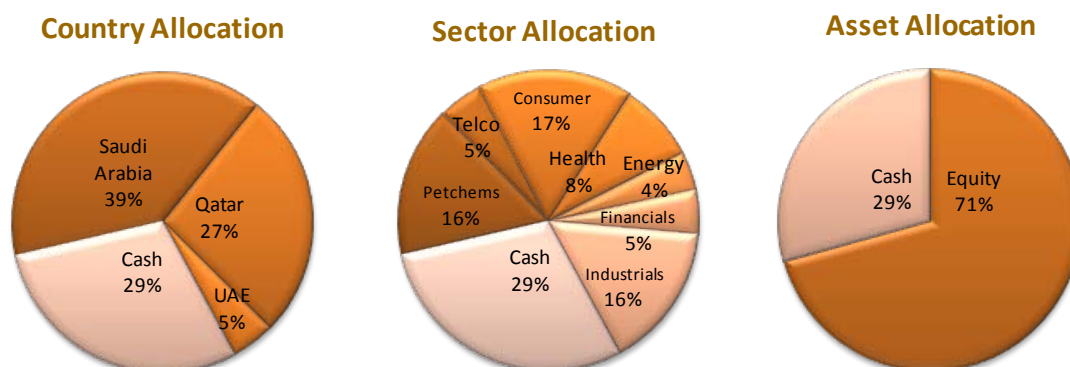
Fund Managers Comment

In June, the Fund decreased by 3.7% MoM while the Bloomberg GCC200 Index decreased by 7.8% MoM. Since Inception (31st of October 2012), the Fund is up by c.34% and c.7% Year-to-Date while focusing primarily on capital preservation.

Most global and regional equity markets faced a risk-off wave during the month of June. As with previous periods of volatility, we have raised our cash positions and reduced our equity weighting. Despite the declines in the market, we have been proactive in providing downside protection to our investors. GCC markets are now trading at a smaller premium to EM on the basis of P/E and P/B multiples. With this in mind, when the time and the conviction come, we will not hesitate to tactically, gradually and selectively buy into the market even when other investors are fearful.

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 51 vs. 95 GCC average). We also see a longer term catalyst in the fact that Saudi could be moving towards a more institutional-oriented equity market. On valuation, the GCC trades on 13.5x forward P/E yielding 2.9% and EM (Emerging Markets) on 11.6x forward P/E yielding 2.7%.

Investment Allocation



Fund Managers

Robert Pramberger, CFA (over 15 years of experience in financial markets)
Patrick Rahal (over 9 years of experience in financial markets)

Bloomberg Ticker < TFIGCCF QD >

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