

## QNB Debt Fund - Monthly Report for December 2023

### Investment Objective

To provide investors with competitive, investment returns from selected bonds issued by reputable companies located in Qatar and the other member nations of the Gulf Cooperation Council and their entities in any region with a fund's maximum average portfolio duration of four years.

Total Net Asset value (in QAR)	Total Net Asset value per unit month of December - 23 (in QAR)	Total Net Asset value per unit month of November - 23 (in QAR)
37,141,460.13	13.204	12.949

	Fund	Benchmark
1 Month	1.97 %	0.51 %
Year to Date	4.95 %	5.83 %
1 year	4.95 %	5.83 %
3 Years	4.65 %	8.90 %
Since Inception	32.04 %	21.62 %

### Annualised Returns (%)

2023	4.95 %	5.83 %
2022	-4.32 %	2.28 %
2021	4.22 %	0.61 %
2020	-1.19 %	1.13 %
2019	8.04 %	2.83 %
2018	0.48 %	2.55 %
2017	4.32 %	1.61 %
2016	6.52 %	1.01 %
2015	-0.48 %	0.70 %
2014	4.39 %	0.66 %
2013	1.89 %	0.64 %

### Risk Indicators

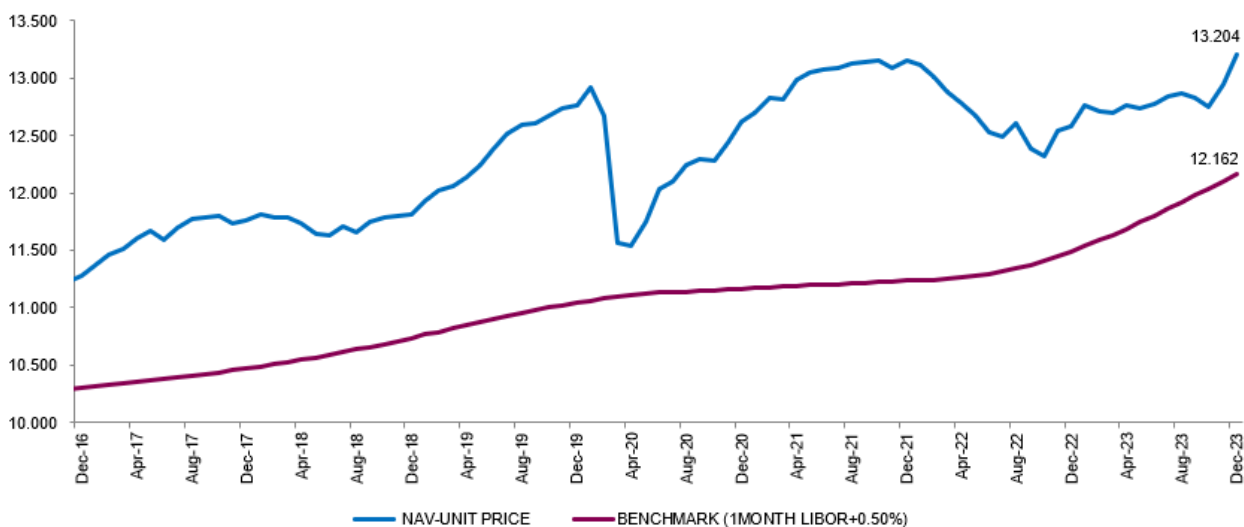
St. Deviation (3 years)	2.89 %	0.66 %
Sharpe (3 years)	1.01	3.01

Fund Information	Particulars	Fund Manager Comment
Fund type	Open-End Fund	<p>Q4'23, including the month of December, was favorable for fixed income as US treasury rates dropped, with the longer end showcasing a material drop driven by the heightened expectation of several fed rate cuts in 2024. Inflation heading lower with moderating growth and a stable labor market has created optimism over the said rate cuts.</p> <p>During December, the US-10-year Treasury yield dropped to 3.88% from 4.33%. The starting point of US-10-year Treasury yield for 2023 was 3.87% while it reached a high of c.5% during October. Fed comments during the month iterated that rates have peaked and are expected to be about three cuts in 2024. They do acknowledge that the inflation is easing but yet is at an elevated level. Therefore, investors are confident that we are approaching the peak of the rate hike cycle.</p> <p>During the month, Brent ended lower at USD 77 from c. USD 79 compared to the C.USD 86 at the start of the year. Although the recent drop was mainly due to increased supply from the US and non-adherence to the quotas by some OPEC+ members, it is expected levels to rise hereon given the regional developments and stronger global demand. Regional IG and HY space remain favorable to their global counterparts and will continue attracting flows from yield-seeking investors.</p> <p>As of December 2023, QNB Debt Fund held 29 holdings with a long-term gross yield of c. 6.6 % p.a and a duration of c. 3 Years.</p>
Category	Fixed Income	
Style	Active	
Geography	Qatar	
Subscription/Redemption	Monthly	
Minimum	QR 20,000	
Investment Management Fee	0.75 % p.a	
Subscription / Redemption Fee	Nil	
Benchmark	Libor + 50 bps	
Performance Fee	n/a	
Inception	January 2013	
Fund Currency	Qatari Riyal	
Auditor	Ernst & Young	
Regulator Founder	QCB – Qatar Central Bank	
Founder	QNB	
Investment Manager	QNB Suisse SA	
Custodian	HSBC	

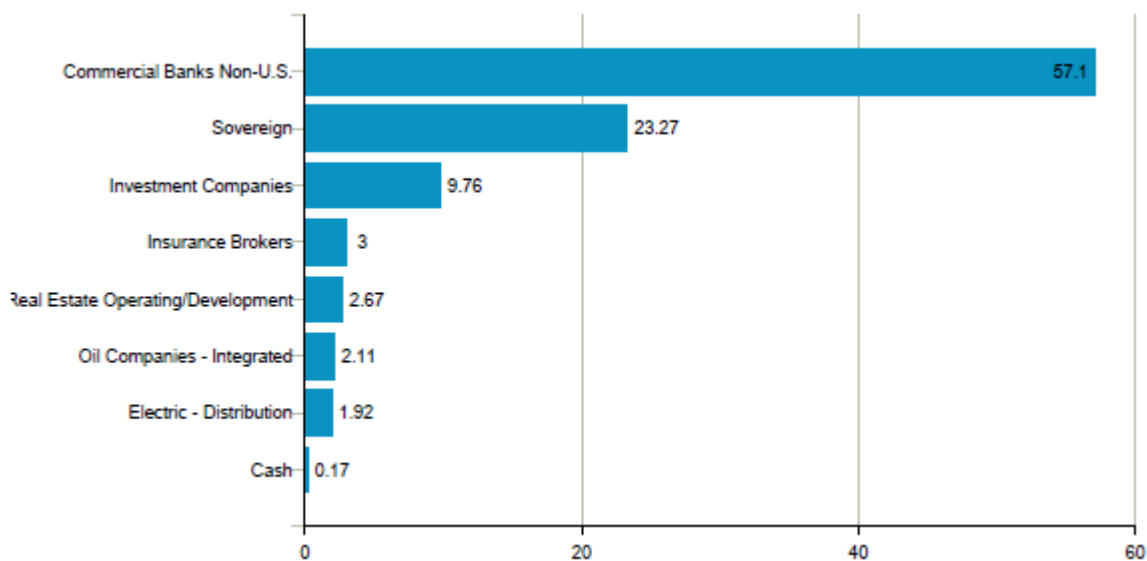
### Top 5 Holdings

Issuer Name	Weight (%)
1 Public Investment Fund	7.11 %
2 Government of Oman	6.81 %
3 QNB Finansbank	5.41 %
4 Government of Bahrain	4.94 %
5 Bank of Bahrain & Kuwait	4.84 %

## NAV Movement



## Sector Allocation



## Contact Details

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## Information

Bloomberg Ticker: QNBDEBT QD Equity  
 Reuters Ticker: LP68186853  
 Morningstar Ticker: F00000PXPQ