

QNB Debt Fund - Monthly Report for October 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 October - 23 (in QAR)	Total Net Asset value per unit month of September - 23 (in QAR)
35,866,906.01	12.751	12.825

	Fund	Benchmark
1 Month	-0.58 %	0.51 %
Year to Date	1.35 %	4.77 %
1 year	3.51 %	5.57 %
3 Years	3.78 %	7.93 %
Since Inception	27.51 %	20.40 %

Annualised Returns (%)

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

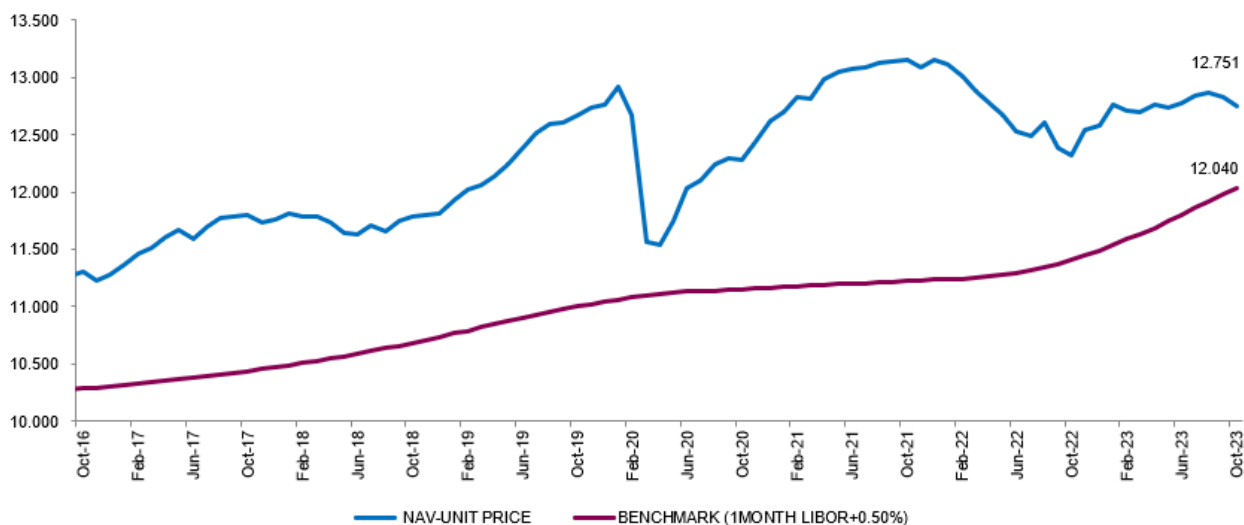
St. Deviation (3 years)	2.75 %	0.63 %
Sharpe (3 years)	-1.03	-5.52

Fund Information	Particulars	Fund Manager Comment
Fund type	Open-End Fund	October was not a favorable month in particular, as the elevation of the benchmark yields and the geopolitical backdrop weighed heavily on the market sentiment to be weaker. On the US front, the growth remains strong, with QoQ growth at 4.9%, and inflation yet to be fully tamed. However, the expectation is for growth to be somewhat weaker going forward, with COVID-related household savings coming to a low level along with the lagging effects of restrictive monetary policy.
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	During October, the US-10-year Treasury yield increased to 4.93 % from 4.57%, while inter-month highs reached above 5 % for the first time since 2007. Fed comments during the month iterated rates to be elevated for longer as data suggest strong resilience of the economy with concerns over the resurgence of inflation amid ongoing geopolitical issues. However, investors are confident that we are approaching the peak of the rate hike cycle.
Fund Currency	Qatari Riyal	
Auditor	Ernst & Young	
Regulator Founder	QCB – Qatar Central Bank	
Founder	QNB	
Investment Manager	QNB Suisse SA	
Custodian	HSBC	
		During the month, Brent ended lower at USD 87.41 from USD 95.31, but the expectation of reaching higher remains stronger than before, given the current Middle Eastern context. Regional IG and HY space remain favorable to their global counterparts and will continue attracting flows from yield-seeking investors.
		As of October 2023, QNB Debt Fund held 28 holdings with a long-term gross yield of c.7.0 % p.a and a duration of c. 2.8 Years.

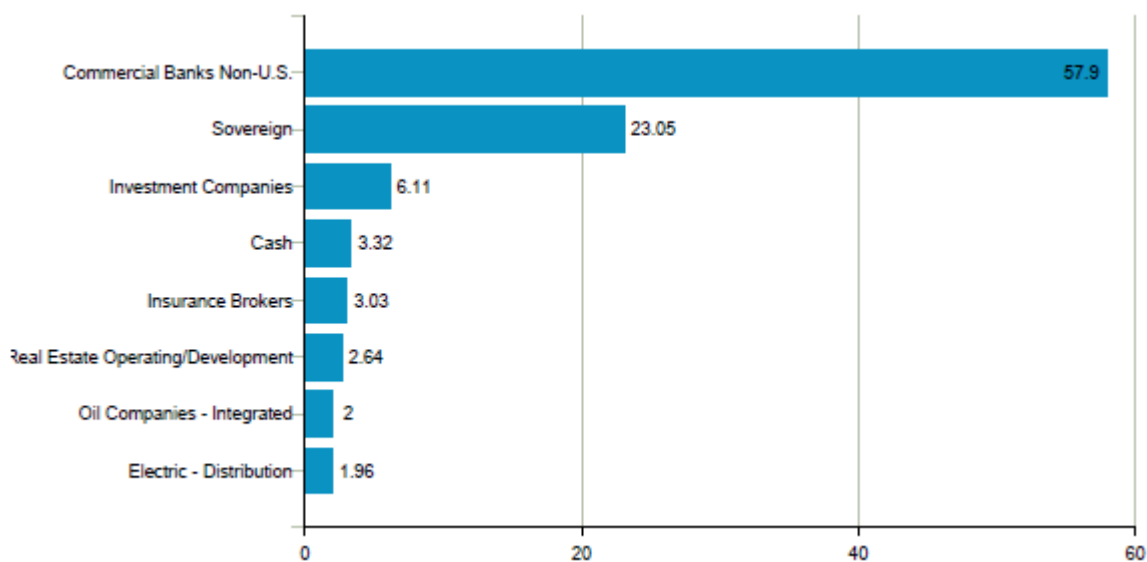
Top 5 Holdings

Issuer Name	Weight (%)
1 Government of Oman	7.01 %
2 QNB Finansbank	5.56 %
3 Bank of Bahrain & Kuwait	4.98 %
4 Sharjah Islamic Bank	4.86 %
5 Government of Bahrain	4.69 %

NAV Movement



Sector Allocation



Contact Details

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Information

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