

# QNB Debt Fund - Monthly Report for April 2024

# **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 April - 24 (in QAR)	Total Net Asset Value per unit month of March - 24 (in QAR)
37,256,101.77	13.265	13.346
	Fund	Benchmark
1 Month	-0.61 %	0.50 %
Year to Date	0.46 %	2.01 %
1 year	3.97 %	6.14 %
3 Years	2.11 %	10.87 %
Since Inception	32.65 %	24.07 %
Annualized 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)	2.80 %	0.67 %
Sharpe (3 years)	-0.88	-4.82
Fund Information	Particulars Fund Manager Co	omment

Fund Information	Particulars
Fund type	Open-End Fund
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	Deloitte & Touche
Regulator Founder	QCB – Qatar Central Bank
Founder	QNB
Investment Manager	QNB Suisse SA
Custodian	HSBC
Top 5 Holdings	
lecuor Namo	Waight (%)

# Custodian HSBC Top 5 Holdings Issuer Name Weight (%) 1 Government of Oman 6.82 % 2 Public Investment Fund 6.69 % 3 Bank of Bahrain & Kuwait 4.86 % 4 Government of Bahrain 4.82 % 5 Sharjah Islamic Bank 4.76 %

## Fund Manager Comment

April was unfavorable for Fixed Income, with Global bonds falling by about 2.5% during the month. This resulted from inflation and growth data reducing expectations over the number of Fed cuts. Further, the timing of the cuts was also mainly moved towards Q4.

The US 10-year treasury yield experienced a notable shift in April, rising from 4.20% to 4.68%. This movement was primarily driven by the market's anticipation of the Feds' actions in response to inflation and GDP data. The overall yield curve mirrored this trend, albeit with a reduced inversion of the 2-10 curve to c.36 bps from c. 42 bps. Bloomberg's data indicates a significant change in the number of expected rate cuts by December, now standing at 1.1 times compared to the initial projection of 7 at the start of the year.

During the month, Brent ended higher at c. USD 87.9 from c. USD 87.5. The increase came amid growing conflicts in the Middle East and the danger of escalation. However, regional spreads, although tight historically, have remained steady, indicating optimism over non-escalation. The regional IG and HY space remains favorable to their global counterparts and will continue attracting flows from yield-seeking investors.

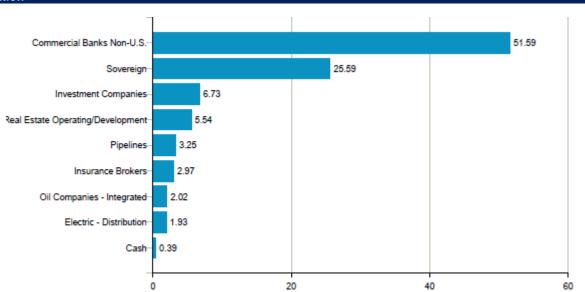
As of April 2024, QNB Debt Fund held 30 holdings with a long-term gross yield of c. 6.7 % p.a and a duration of c. 3.3 Years.

Disclaimer: The information herein is for illustrative purposes only and reflects current market practices and is not intended to constitute legal, tax, accounting, or financial advice; investors should consult their own advisers on such matters. At all times prospective investors considering an investment in the Fund should carefully read the Articles of Association, the Prospects and the Terms & Conditions of the Subscription form d. Investors are reminded that past performance of any investment is not a guide to future returns. QNB is regulated by Qatar Central Bank. All performance changes figures are net of performance fees.

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BENCHMARK (1MONTH LIBOR+0.50%)

# Sector Allocation



 Contact Details
 Information

 Investment Manager
 QNB Suisse SA
 Bloomberg Ticker: QNBDEBT QD Equity

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NAV-UNIT PRICE

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**Telephone in Qatar**