

QNB Debt Fund - Monthly Report for January 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 January - 24 (in QAR)	Total Net Asset value per unit month of December - 23 (in QAR)
37,184,965.26	13.219	13.204

	Fund	Benchmark
1 Month	0.11 %	0.51 %
Year to Date	0.11 %	0.51 %
1 year	3.58 %	5.93 %
3 Years	4.08 %	9.40 %
Since Inception	32.19 %	22.24 %

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)	2.88 %	0.67 %
Sharpe (3 years)	-0.85	-5.01

Fund Information

Particulars	Fund Manager Comment
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

Jan'24 was not a very favorable month for fixed income as some of the gains made in Q4'23 were erased, with yields moving higher. This was caused by the market re-assessing the optimistic US Fed rate cuts that were built up during Q4'24. The latest expectation is for a lesser number of rate cuts by the FED amid strong economic growth and a resilient labor market, together with dovish communications by them during the month. Overall, a soft landing scenario has been growing in probability during the month.

During January, the US-10-year Treasury yield elevated to 3.91% from 3.88%. As iterated earlier, the labor market reflected resilience with a robust jobs gain report and strong wage growth, with unemployment at 3.7%. CPI did reflect higher levels for December, but the overall direction remained intact. Hence, the overall data pointing towards a "Soft Landing" has been growing in probability during the month.

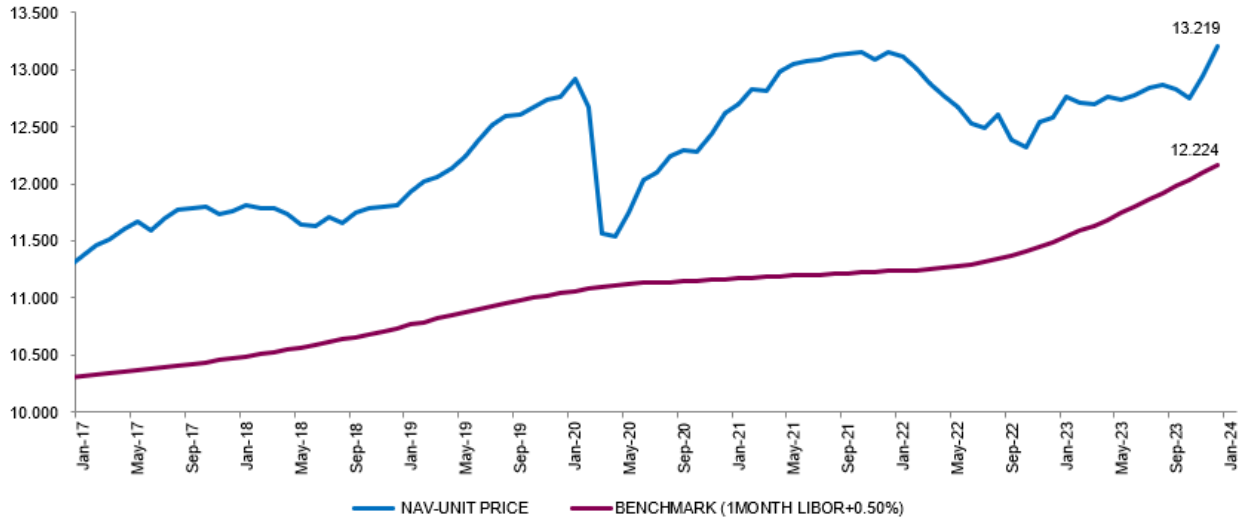
During the month, Brent ended higher at c. USD 82 from c. USD 77. The increase came amid growing conflicts in the Middle East and Russia. Unless resolved, it will add a significant level of volatility for energy prices during the year. However Regional IG and HY space remain favorable to their global counterparts and will continue attracting flows from yield-seeking investors.

As of January 2024, QNB Debt Fund held 29 holdings with a long-term gross yield of c. 6.7 % p.a and a duration of c. 2.8 Years.

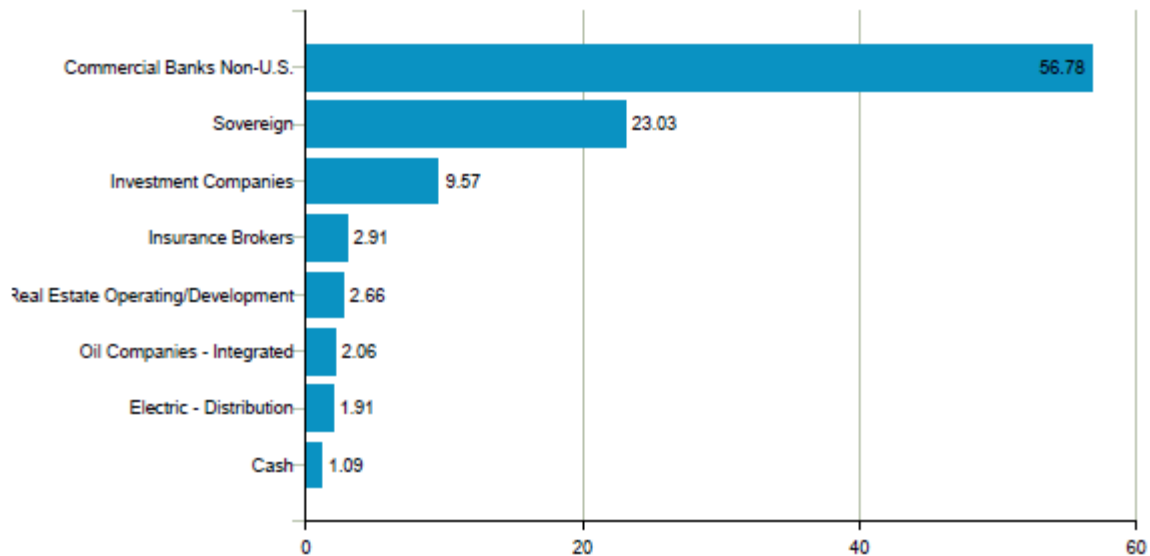
Top 5 Holdings

Issuer Name	Weight (%)
1 Public Investment Fund	6.96 %
2 Government of Oman	6.79 %
3 QNB Finansbank	5.39 %
4 Government of Bahrain	4.85 %
5 Bank of Bahrain & Kuwait	4.85 %

NAV Movement



Sector Allocation



Contact Details

Investment Manager QNB Suisse SA
Fund Manager Chanaka Dassanayaka CFA
Address Quai du Mont-Blanc 1, 1201 Geneva
Telephone in Qatar +974 4440 7339

Information

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