

## Al Watani Fund 2 (for Non Qatari) - Monthly Report for October 2023

### Investment Objective

The primary aim of Al Watani Fund is to outperform the benchmark S&P Index while seeking to reduce the risks associated with the investment

**Total Net Asset value (in QAR)**

**6,023,808**

**Total Net Asset value per unit (in QAR)**

**18.66**

Fund Information	Particulars	Performance Summary	WF2	Index
Fund Type	Open-End Fund	Since Inception (Oct'2005)	86.64%	-30.74%
Currency	Qatari Riyal	Year 2017	-9.80%	-16.30%
Regulator	Qatar Central Bank	Year 2018	20.60%	15.53%
Fund Manager	QNB Suisse SA	Year 2019	2.18%	-3.27%
Subscription/Redemption	Monthly	Year 2020	7.55%	0.55%
Management Fee	1.5% p.a	Year 2021	16.51%	12.70%
Auditor	KPMG	Year 2022	-9.49%	-10.87%
Custodian	QNB	MTD (October 2023)	-6.88%	-7.46%
Benchmark Index:	Standard & Poor's Qatar Domestic Index (Custom)	YTD (2023)	-5.16%	-9.87%
		Beta	0.83	1.00
		Standard Deviation*	20.21%	23.37%

### Fund Manager Comment

#### Performance for the Month

The Benchmark Index declined by 7.46% in October 2023. While the Qatar Exchange (QE) Index declined by 7.11% during the month as bearish sentiment engulfed the market following heightened geopolitical risk. The Qatar Exchange Al Rayyan Index (QERI) lost 7.96%. Market participation declined with less than 5% of the stocks remaining above their respective 10-day moving averages. Global equity markets extended their losing streak. MSCI World index, S&P 500 index and MSCI EM all lost 2.90%, 2.17% and 3.47% respectively as rising long-term yields put pressure on all global equities. Bloomberg commodity index fell 0.21% while Brent Crude oil benchmark reversed September's gains, losing 5.20%. Foreign Institutional Investors net sold USD 64 Mn during the month. Regional markets performance all closed in the red. In year to date 2023 the fund's NAV decreased by 5.16% vs. the benchmark index declining by 9.87%, outperforming by 4.71%.

#### Market Review

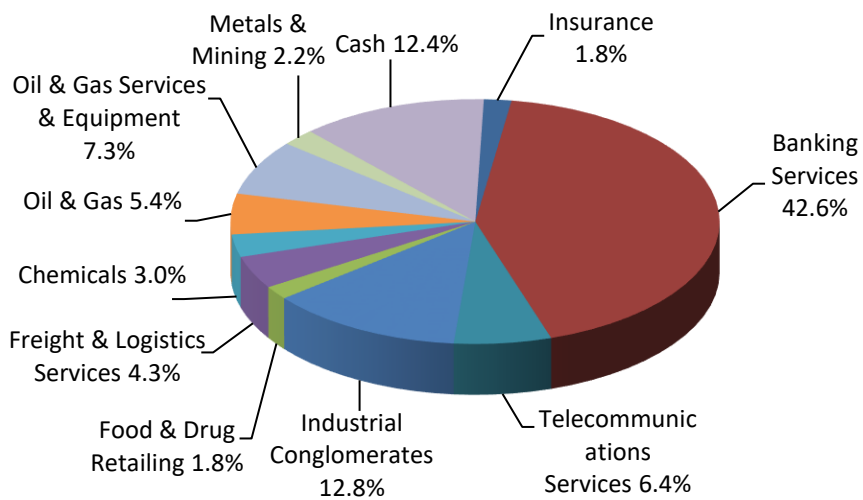
Qatar Stock Exchange listed companies reported net profit of QR37.42bn for the 9M2023, decrease by 7.69% YoY. The decline was primarily due to low commodity prices, which hurt the profitability of IQCD, MPHC and QAMC. This coupled with weak sentiment kept the market under pressure. Hence, all the 20 stocks of QE Index closed in negative territory for the month of October. For both the QE and QERI Indices, IQCD, QIBK and QFLS were the top three contributors to the monthly decline.

#### Portfolio Investment Strategy

Large cap valuations now getting cheap in some areas. Value continues to exist in smaller stocks. We continue to expect 2023 to be a volatile year as valuation plays out in individual stocks and sectors however with valuations getting cheap at the end of October; the overall market has more upside risk than downside risk. Substantial upside for the market is only likely once large cap stocks become universally cheap.

## Sector Allocation

## Fund Management Team



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