

AL WASEELA FUND – Q CLASS

April 2012

Performance

Trailing Returns		QE Index
MTD ¹	1.03%	0.91%
YTD ²	3.72%	-0.46%
Since Inception	45.57%	41.57%

1 MTD is referenced from previous NAV date to this NAV date
2 YTD is referenced from 31 December 2011
3 Past Performance is no guarantee of future trends.

Historical Net Asset Value

Month	Offer	Bid
March	12.8570	12.7284

Fund Statistics

Beta	Standard Deviation	Tracking Error
0.77	27.00%	0.12

Fund Manager's Report

Review

The Waseela Fund gained 1.0% from March 15th to April 15th outperforming the Qatar Exchange which gained 0.9%. The YTD performance of the fund is 3.7% which reflects 4.2% outperformance of the QE Index which has lost 0.5% YTD.

Over the period the Qatar exchange announced changes to the QE Index. Salam International Investment and Gulf Holding were excluded from the index and replaced by Al Meera and Qatar Meat and Livestock Co. The largest change was the reduction in weight of Qatar National Bank from almost 21% to 15% of the index. The other constituents saw their weight increase slightly as a result. The new QE Index took effect on April 1st 2012.

Q1 2012 reporting season began and the banks displayed strong bottom line growth overall. Qatar National Bank, (QNB) net profit rose 17% Y-o-Y to QR2.0bn during Q1 2012, up from QAR 1.70bn. The growth was driven by a 32% Y-o-Y improvement in net interest income, while the loan book outpaced the banking sector reflecting 4% Q-o-Q and 43% Y-o-Y growth. Deposits also increased by 9% Q-o-Q and 21% Y-o-Y. The bank remains extremely attractive trading at 10.5x 2012e and 2x P/B 2012e. The bank also announced it has acquired a 49% stake in the Bank of Commerce and Development in Libya while its talks with Denizbank, which will provide QNB with an entry to the Turkish market, remain ongoing. Qatar Islamic Bank announced a 21% and 52% increase in earnings Y-o-Y and Q-o-Q respectively, to QAR 388mn. This was driven by a 34% Y-o-Y surge in investment income and a 69% Y-o-Y rise in fee income. Lending increased by 8% Q-o-Q far outpacing the rest of the banking sector in Qatar. Key players in the banking sector should continue to perform well in line with the commencement of infrastructure projects. The New Doha Port project worth over USD 2bn will have three awarded contracts in 2012 which will provide further lending opportunities to local banks, although overall lending is expected to moderate slightly till the next large wave of projects come to market.

The performance of the fund for the period was attributed to concentrated positions in Industries Qatar, Qatar Telecom and Qatar Insurance, all of which outperformed the index. During the period the Investment Manager added exposure to the UAE market in the banking and real estate sectors. The UAE is witnessing an uptrend in terms of tourist arrivals, hotel occupancy, retail activity and overall domestic real estate activity. The Fund will continue to be heavily exposed to the Qatari market while selectively seeking opportunities in the GCC markets.

Important Information

The above information should not be considered an offer, or solicitation, to deal in the subject fund. Investments in this fund are not deposits in, obligations of, or guaranteed or insured by EFG-Hermes Financial Management (Egypt) Limited (Fund Manager) or The Commercial Bank of Qatar Q.S.C (Founder). This investment is subject to investment risks including possible loss of the principal amount invested. Unit values and income may fall or rise and past performance is not indicative of future performance. Investors should read the Articles of Association and Prospectus and seek relevant professional advice before making any investment decision.

Offer **Bid**

Net Asset Value as at 15 April 2012 **12.9891** **12.8592**

Objective

The principal objective of the fund is long term capital appreciation through investing in listed Qatar and GCC equities.

Benchmark

QE Index

FUND ANALYSIS

Top 5 equity holdings

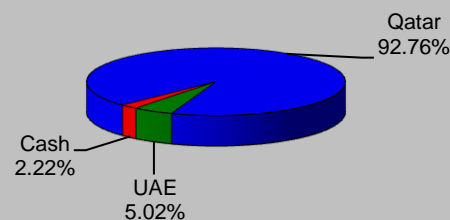
% of NAV

INDUSTRIES QATAR	18.70%
QATAR NATIONAL BANK	18.68%
DOHA BANK	14.35%
MASRAF AL RAYAN	8.98%
QATAR TELECOM (QTEL) Q.S.C.	8.41%

Asset Allocation

Type	Last Month	This Month	% Change
Cash	5.80%	2.22%	-3.58%
Listed Equities	94.20%	97.78%	3.58%

Geographic Breakdown



Fund Information

Currency	Qatari Riyal
Launch Date	15 April 2007
Type	Open Ended
Fund Size	QR 75,278,050
Minimum Subscription	QR 25,000 at Offer Price
Maximum Subscription	2,000,000 units at Offer Price
Minimum Subsequent Subscription	QR 5,000 at Offer Price
Subscription Fee	3.00%
Management Fee	1.50% per annum
Performance Fee	20% over Hurdle Rate of 10%
Dealing	Monthly by 7 May 2012
Valuation Date	15 th day of each calendar month
Founder	The Commercial Bank of Qatar (Q.S.C) P O Box 3232 Doha Qatar Tel: +974 449 0000
Fund Manager	EFG-Hermes Financial Management (Egypt) Limited
Custodian	HSBC Bank Middle East Limited
License No. of Fund	IF/7/2006
Fund Registration No. at Ministry of Economy & Commerce	34169