

NAV QR 12.83
Al Watani Fund (For Qataris)
Monthly Report for April 2012
Fund's Objective

The primary aim of Al Watani Fund is to outperform the Qatar Exchange (QE) Index while seeking to reduce the risks associated with the investment.

Net Asset Value of the Fund for the Month (QR) 87,208,306

Fund Information	Particulars	Performance Summary	W1	QE Index
Fund Type	Open-End Fund	Since Inception (Oct. 2005)	27.85%	-29.37%
Currency	Qatari Riyal	Year 2009	10.41%	1.06%
Regulator	Qatar Central Bank	Year 2010	27.67%	24.75%
Fund Manager	QNB Banque Privée (Suisse) SA	Year 2011	1.12%	0.42%
Subscription / Redemption	Monthly	MTD - Apr. 2012	0.39%	-0.99%
Management Fee	1.5% p.a.	YTD 2012	3.95%	-0.86%
Auditor	KPMG	Beta	0.81	1.00
Custodian	QNB	Standard Deviation*	26.79%	31.10%

* Since inception

Fund Manager Comment

The Qatar Exchange (QE) Index gave up the gains accumulated in the months of February and March in April as the index shed 0.99%. The market was bearish throughout the month save for the last couple of trading days. The banking sector continued to be sold down particularly by Foreign Institutional Investors (FIIs) reinforcing the bearish outlook. Our fund performance was robust gaining 0.39% during the month against a benchmark monthly performance of -0.99%. Fund performance for the year to date was 3.95% outperforming the benchmark by 4.81%.

At a glance, the market seemed bearish during most of the trading days for the month, however this masked the underlying increased activity indicated by robust trading activity and the bullish sentiment in various pockets in the market. Traded value and volume were both strong, gaining 16.9% and 25.6% respectively. Bullish sentiment was exhibited mostly in the small and mid cap sectors supported by significant improvement in profitability seen in the first quarter financial disclosures. The banking sector continues to be bearish despite the good first quarter corporate earnings primarily due to the sustained FII's disinvestment of the sector.

Underlying corporate earnings growth remains resilient in the QE as exhibited by the first quarter corporate disclosures. Banking sector registered 12.9% year-on-year corporate earnings growth while lending and advances grew by 31.6%. The underlying economic fundamentals remain strong and we believe the banking sector will sustain the growth trajectory in the coming months. Risk to view for the sector is the declining customer deposit growth witnessed in the first quarter which could put pressure on the net interest margins. We anticipated a range bound market in the coming weeks as investors reposition portfolios following the first quarter corporate announcement. However, we expect the trend to tick upwards as the banking sector recovers from the oversold positions in April.

Fund Management Team

QNB Banque Privée (Suisse) SA
 Rue Des Alpes, 3
 1201 Geneva
 Switzerland


Contact details in Qatar:

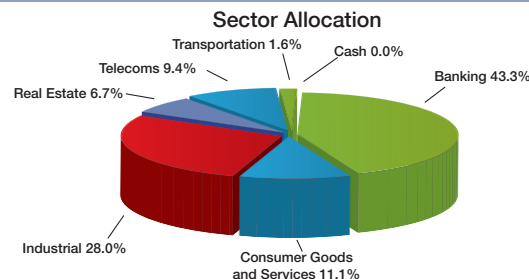
Fund Manager: Hassan Abdi CFA, FRM
 Tel.: (+974) 4440 7339 ext. 7525

QNB Bldg., Main Branch,
 P.O. Box 1000, Doha – Qatar

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 Fund. 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.

License No. of Fund I.F/3/2005

Fund Registration No. at Ministry of Economy & Commerce: 31350


NAV QR 12.38
Al Watani Fund 2 (For Non-Qataris)
Monthly Report for April 2012
Fund's Objective

The primary aim of Al Watani Fund 2 is to outperform the Qatar Exchange (QE) Index while seeking to reduce the risks associated with the investment.

Net Asset Value of the Fund for the Month (QR) 52,372,269

Fund Information	Particulars	Performance Summary	W2	QE Index
Fund Type	Open-End Fund	Since Inception (Oct. 2005)	23.51%	-29.37%
Currency	Qatari Riyal	Year 2009	11.52%	1.06%
Regulator	Qatar Central Bank	Year 2010	27.13%	24.75%
Fund Manager	QNB Banque Privée (Suisse) SA	Year 2011	0.70%	0.42%
Subscription / Redemption	Monthly	MTD - Apr. 2012	0.21%	-0.99%
Management Fee	1.5% p.a.	YTD 2012	4.06%	-0.86%
Auditor	KPMG	Beta	0.82	1.00
Custodian	QNB	Standard Deviation*	27.01%	31.10%

* Since inception

Fund Manager Comment

The Qatar Exchange (QE) Index gave up the gains accumulated in the months of February and March in April as the index shed 0.99%. The market was bearish throughout the month save for the last couple of trading days. The banking sector continued to be sold down particularly by Foreign Institutional Investors (FIIs) reinforcing the bearish outlook. Our fund performance was robust gaining 0.21% during the month against a benchmark monthly performance of -0.99%. Fund performance for the year to date was 4.06% outperforming the benchmark by 4.92%.

At a glance, the market seemed bearish during most of the trading days for the month, however this masked the underlying increased activity indicated by robust trading activity and the bullish sentiment in various pockets in the market. Traded value and volume were both strong, gaining 16.9% and 25.6% respectively. Bullish sentiment was exhibited mostly in the small and mid cap sectors supported by significant improvement in profitability seen in the first quarter financial disclosures. The banking sector continues to be bearish despite the good first quarter corporate earnings primarily due to the sustained FII's disinvestment of the sector.

Underlying corporate earnings growth remains resilient in the QE as exhibited by the first quarter corporate disclosures. Banking sector registered 12.9% year-on-year corporate earnings growth while lending and advances grew by 31.6%. The underlying economic fundamentals remain strong and we believe the banking sector will sustain the growth trajectory in the coming months. Risk to view for the sector is the declining customer deposit growth witnessed in the first quarter which could put pressure on the net interest margins. We anticipated a range bound market in the coming weeks as investors reposition portfolios following the first quarter corporate announcement. However, we expect the trend to tick upwards as the banking sector recovers from the oversold positions in April.

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 1201 Geneva
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License No. of Fund I.F/4/2005

Fund Registration No. at Ministry of Economy & Commerce: 31352

