

### Investment Objective

To invest in businesses that display a robust balance sheet and are positioned to capitalize on the economic growth materializing in the region.

### Investment Manager

Rasameel Investment Company KSCC

### Time Horizon

Longterm

### Inception Date

24/01/2017

### Base Currency

USD

### Benchmark Index

Dow Jones Islamic Market GCC TR

### Top Holdings

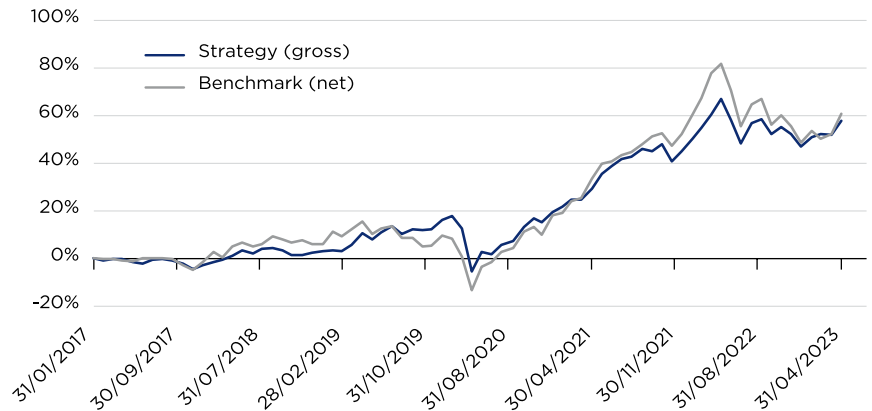
Company	Weight
RJHI AB	6.3%
ADIB AB	5.1%
ZAIN KK	4.7%
BOUBYAN KK	3.7%
EXTRA AB	3.4%

Characteristics	Strategy
TTM P/E	20.5
P/B	2.13
P/CF	9.42
Dividend Yield	3.7%
Debt/Equity	99.9

Returns	Strategy (Gross)	Benchmark (Net)
MTD	4.0%	5.5%
YTD	4.1%	8.2%
ITD	58.0%	60.7%

Risk Statistics - 1Yr	Strategy
Std. Dev	10.2%
Downside Risk	8.0%
MC VAR	-1.2%
Sharpe Ratio	-1.1

### Performance

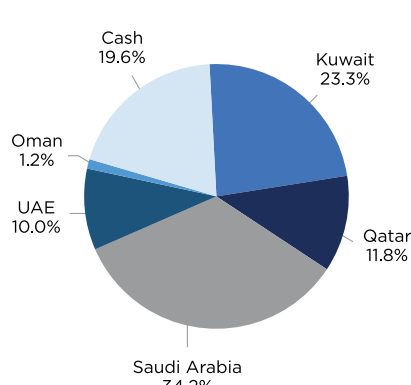


Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Benchmark
2023 (%)	2.1	-1.75	-0.2	4.0									4.1	8.2
2022 (%)	3.5	3.1	3.6	4.0	-5.2	-6.2	5.9	0.9	-3.9	1.9	-1.9	-3.5	1.2	2.3
2021 (%)	2.0	0.4	3.6	4.9	2.6	2.0	0.6	2.5	-0.8	2.1	-4.9	3.1	19.3	27.7
2020 (%)	1.5	-4.5	-15.4	7.9	-1.0	3.5	1.8	5.5	2.6	-0.6	3.8	1.9	4.8	8.5
2019 (%)	0.4	0.6	2.5	4.7	-2.0	2.8	2.1	-2.7	1.6	-0.1	0.3	3.6	14.4	3.5
2018 (%)	2.2	0.9	1.8	2.2	-1.5	2.1	0.2	-1.0	-1.4	-0.5	1.5	0.5	6.1	7.6
2017 (%)	-1.4	0.4	0.9	-0.4	-1.2	-0.5	1.5	0.4	-0.7	-1.3	-2.1	1.5	-3.0	-1.5

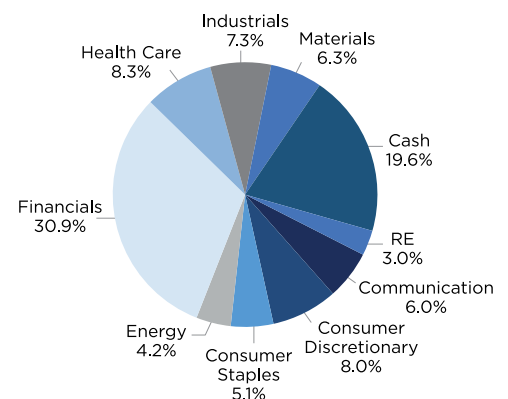
### 30 Day Top Contributors & Detractors

Contributors	Return	Cont.	Detractors	Return	Cont.
ADIB AB	13.9%	0.6%	QFLS QD	-4.0%	-0.1%
BOUBYAN KK	12.2%	0.4%	ORDS OM	-4.4%	-0.1%
ALHAMMAD AB	14.5%	0.4%	EXTRA AB	-1.4%	-0.1%
DALLAH AB	10.5%	0.3%	GWCS QD	-3.0%	0.0%
RJHI AB	4.6%	0.3%	AGLTY KK	-0.7%	0.0%

### Geographic Breakdown



### Sector Breakdown



\* The performance shown above is gross of all fees and unaudited. Past performance is not indicative of future returns.

### Disclaimer:

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### Description

The Rasameel GCC Strategy is reflective of the performance of the Rasameel GCC prop book account and is Shariah compliant, investing in public equities across the region. The Strategy's objective is to invest in businesses that display a robust balance sheet and are positioned to capitalize on the economic growth materializing in the region.

### Commentary

In May, the GCC strategy experienced a 4.0% jump, driven by strong performances from Financials in the Top 5 holdings. The region rebounded as investors anticipated a more lenient Fed, and oil prices recovered from last month's lows, although they have since dropped due to ongoing output management by OPEC+ members.

The performance of GCC indices showed mixed results in both the monthly and year-to-date periods. The Saudi index performed exceptionally well, with a solid gain of 6.4% attributed to improved outlook and sentiment, fueled by positive news of a potential peace deal with Iran. This positive development is expected to reduce regional hostility and boost commerce between the two oil giants. On the other hand, the Qatar QE Index underperformed, experiencing the weakest performance in the region with a decline of 5.02% year-to-date. Despite attractive valuations in Qatar, investors remain cautious and seek clarity regarding the post-World Cup 2022 scenario, contributing to the market's underperformance.

In the first quarter, the earnings of several banks in the GCC region reflected a mix of performances. **Abu Dhabi Islamic Bank (ADIB UH)** reported robust financial results, with a remarkable 48% increase in net income compared to the same period last year. ADIB attributed this success to healthy business growth, improved margins, and effective risk management strategies. While global economic uncertainties and concerns about rising interest rates persist, ADIB maintains a cautious approach to credit extension and focuses on strengthening its capital position. **Boubyan Bank (BBYN KK)** experienced a 22% year-on-year growth in net income for the first quarter, falling short of the average analysts estimates. The bank credited this positive performance to growth in net fees and commission income, as well as an increase in net investment income. However, there was a decline in net financing income during the same period. **Kuwait Financial House (KFH KK)** emerged as a standout performer, surpassing the average analyst estimate for the first quarter. The bank achieved a substantial profit increase of 133% compared to the previous year. This growth was primarily driven by the completion of the AUB Group acquisition and a significant reduction in provisions and impairments. Additionally, the bank's total assets displayed robust expansion, growing by 66% year-on-year.

On the other hand, our biggest holding, **Al Rajhi Bank** reported a first-quarter profit that fell short of the average analysts estimates, with a modest 0.3% year-on-year increase. The bank faced challenges in operating income due to a decline in net financing and investment income. Nevertheless, it managed to decrease total operating expenses through lower impairment charges and other general and administrative expenses. Al Rajhi Bank demonstrated growth in total assets, investments, net loans, and total deposits, indicating a strong foundation for future performance.

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In the non-financial sector, **United Electronics (EXTRA AB)** reported a first-quarter profit below the average analyst estimate, with a 13% year-on-year decrease. The company attributed this decline to increasing borrowing rates, impacting its net profit. However, United Electronics highlighted growth in revenues from the consumer finance sector and improvements in the sales mix in the retail sector as factors supporting its overall performance. Qatar Fuel reported a 15% year-on-year decrease in net income for the first quarter, primarily due to lower sales volumes of diesel and reduced fuel prices. However, the company managed to partially offset these effects through improved income from other segments.

Overall, the GCC region experienced a mix of financial performances in the first quarter, with some banks surpassing expectations while others fell short. Economic uncertainties and specific market factors influenced these results.

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