

QNB Debt Fund - Monthly Report for February 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 February - 24 (in QAR)	Total Net Asset value per unit month of January - 24 (in QAR)
37,227,398.28	13.234	13.219

	Fund	Benchmark
1 Month	0.11 %	0.48 %
Year to Date	0.23 %	1.00 %
1 year	4.11 %	6.01 %
3 Years	3.19 %	9.87 %
Since Inception	32.34 %	22.83 %

Annualised 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

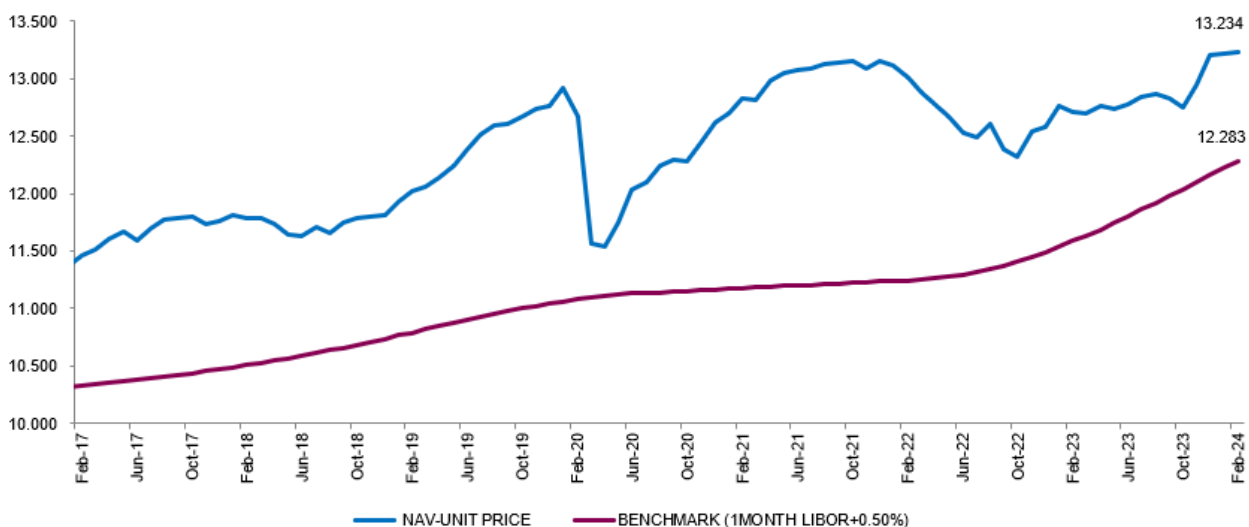
St. Deviation (3 years)	2.83 %	0.67 %
Sharpe (3 years)	-0.88	-4.98

Fund Information	Particulars	Fund Manager Comment
Fund type	Open-End Fund	<p>Feb '24 was not favorable for fixed income, similar to the preceding month, with US treasury yields moving higher across the curve. This resulted from the strong economic data and resilient inflation figures, which moved the rate cut expectation further down in 2024. Even though the year started with seven rate cut expectations, the current expectation is reduced to a mere 3. Inflation was 3.1% higher than expected, with PMI data reflecting an expanding economy. In addition, the labor market also proved to be resilient, with the addition of 353K in January.</p> <p>During February, the US-10-year Treasury yield elevated to 4.25% from 3.88% resultant to the strong economic data, higher inflation print, and resilient labor market. As per Bloomberg, a meaningful probability for a rate cut is in June and beyond for this year. Overall, a soft landing scenario has been growing in probability during the year so far.</p> <p>During the month, Brent ended higher at c. USD 83.6 from c. USD 81.7. The increase came amid growing conflicts in the Middle East and Russia. Unless resolved, it will add significant volatility for energy prices during the year. However, the regional IG and HY space remains favorable to their global counterparts and will continue attracting flows from yield-seeking investors.</p> <p>As of February 2024, QNB Debt Fund held 29 holdings with a long-term gross yield of c. 6.5 % p.a and a duration of c. 3.1 Years.</p>
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	

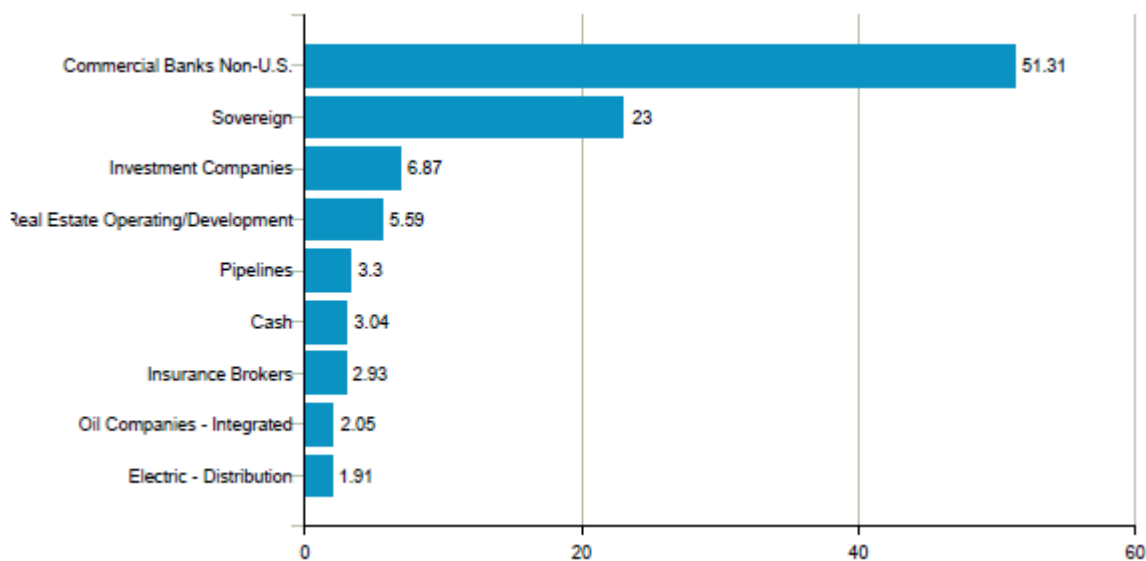
Top 5 Holdings

Issuer Name	Weight (%)
1 Public Investment Fund	6.88 %
2 Government of Oman	6.80 %
3 Bank of Bahrain & Kuwait	4.85 %
4 Government of Bahrain	4.84 %
5 Sharjah Islamic Bank	4.72 %

NAV Movement



Sector Allocation



Contact Details

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Information

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