

Investment Objective

The investment objective of the Fund is to generate a constant stream of cash flows by investing into Reverse Convertibles (RCs) and other Structured Notes, other derivatives and cash or cash equivalent instruments.

Investment Strategy

The Fund will invest primarily in Auto-Callable Reverse Convertible and other Structured Notes related to equity, currency, commodities and index Notes, related derivatives and cash or cash equivalent instruments for liquidity purposes. The investment strategy will seek to harvest instruments volatility and convert it into cash flows whilst controlling the idiosyncratic risk of a single name investment exposure and the related business sector

Performance



This is an actively managed fund that is not designed to track a benchmark. Past performance does not predict future returns. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of capital may occur.

Returns

1 Month	-5.1%
YTD	n/a
1 Year	n/a
ITD (including coupons)	-7.9%

Fund Details

Total Net Asset	\$ 20,015,000
NAV	9.206

Risk Metrics

St. Deviation	
Sharpe Ratio	
Gross Yield	12.25%
No of Holdings (RCs)	14
Average Credit Rating of Issuers	A

Allocation

After its launch on 17th July 2023, the fund fully deployed the IPO moneys and all the following subscriptions into a portfolio of 14 Reverse Convertible Notes with an average coupon of 12.25% and a protection level of 30% from the strike levels at launch.

During the month of October 2023, we have received few more retail inflows and we expect the fund to expand its size going forward and to add more RCs to the portfolio, particularly as RCF4 was called. By this way, the fund will achieve further diversification of the idiosyncratic risks involved. We are also keeping cash ready for the first coupon payment due in the first week of November 2023

General Considerations on the stock market

During the month of October 2023, the US reference equity benchmark dropped by 2.2% with propagating impact on the stocks underlying the fund. This drag was somehow mitigated by the running accruals of the RCs part of the portfolio as the RCF1 to RCF12 paid their first coupons in this month. On top of these elements, the volatility gauge moved up from 17.5 at the end of September to 19.8 at the end of October 2023 imposing further headwind on the fund. No marginal detrimental effect came from funding rates that moved up by 6bps (from 5.44 to 5.42 for the generic US treasury 12m residual life). We expect the market volatility and the funding effects to eventually pan out and the incoming US Q3 earnings season to be supportive once all the results are out.

Coupon Payment

Next Payment Quarter

November 2023

Last quarter payment

n/a

Fund Details	
Domicile	Cayman Islands
Structure	LLC
Asset Class	Alternatives – RCs
Benchmark	Absolute return
Fund Launch Date	17 JULY 2023
Share Class Information	
Target Investor	Non-retail / Qualified
Base currency	USD
Distribution Type	Income
Distribution Frequency	Quarterly
Fees and Charges	
Management Fee (annual)	1.60%
Total Expense Ratio	2,00%
Exit Fee (before lock period)	5%
Dealing Details	
Dealing and valuation Daily	Daily
Lock Period	6 months from initial investment
Minimum Subscription	US\$100,000
Additional Subscription	US\$10,000
Minimum Redemption	US\$10,000
Minimum Holdings	US\$100,000
Settlements Deadline	10:00 (Qatar Time) on a Business Day
Fund Identifiers	
ISIN	KYG835251086
Bloomberg Ticker	
Portfolio Management	
Investment Manager	QNB Suisse SA
Fund Manager	Amna Al Kuwari
Stakeholders	
Administrator	QNB QPSC
Depository	QNB QPSC
Auditor	KPMG Cayman Islands
Contact Details	
Address	Quai du Mont-Blanc 1, 1201 Genève, Switzerland
Telephone in Qatar	+974 4440 7339
Disclaimers	
<p>The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. 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 Private Placement Memorandum and the Terms & Conditions of the Subscription form. Investors are reminded that past performance of any investment is not a guide to future returns. All performance figures are of fees. The Fund may incur further expenses (not included in the above Ongoing charge) as permitted by the Private Placement Memorandum.</p>	
Important Risk Considerations	
<p>■ Counterparty risk a party that the Portfolio transacts with may fail to meet its obligations which could cause losses. ■ Custodian risk insolvency, breaches of duty of care or misconduct of a custodian or sub-custodian responsible for the safekeeping of the Portfolio's assets can result in loss to the Portfolio. ■ Derivatives risk derivative instruments are highly sensitive to changes in the value of the underlying asset that they are based on. Certain derivatives may result in losses greater than the amount originally invested. ■ Exchange rate risk changes in exchange rates may reduce or increase the returns an investor might expect to receive independent of the performance of such assets. If applicable, investment techniques used to attempt to reduce the risk of currency movements (hedging), may not be effective. Hedging also involves additional risks associated with derivatives. ■ Liquidity risk the Portfolio may not always find another party willing to purchase an asset that the Portfolio wants to sell which could impact the Portfolio's ability to meet redemption requests on demand. ■ Market risk the value of assets in the Portfolio is typically dictated by a number of factors, including the confidence levels of the market in which they are traded. ■ Operational risk material losses to the Portfolio may arise as a result of human error, system and/or process failures, inadequate procedures or controls.</p> <p>Complete information on the risks of investing in the fund are set out in the fund's Private Placement Memorandum</p>	