July 2026

AWM Investment Strategy style is both pragmatic and empirical. Pragmatic as it adapts to the risk/reward profiles of the many different beneficiaries (Domestic and International Institutions, Pension Funds and Corporates, Local HNWI and QNB First investors) by matching their requirements to whatever is available in the investment universe at any point in time.
Our style is also empirical as it does not follow fads and requires hard evidence for any decision taken without neither second guessing economic indicators, political developments nor fronting the financial markets.

As a general tool to represent the universe of investable opportunities, AWM identifies and monitors a set of investable products that, once combined in different proportions and adapting from time to time to market conditions, are built into 11 Model Portfolios that our RMs always refer to, whilst advising Clients.
These pro-forma representations of the investable spectrum are designed with the aim to:

1. Provide a **target risk** investment exposure [4 models] or
2. Offer an **active but controlled** increase in the trade-off between the targeted return and the cost of facing a more volatile future trajectory [4 models] or
3. Investing into **fixed proportion** between Stock and Bonds and finally [one model conventional and one Islamic]
4. Executing a **dynamic allocation** according to the QNB proprietary macro model.

The investable products used for the QNB Model Portfolios are –for now- all mutual funds, some managed by QNB (4 of them) and 20 by third party providers that are selected based on investment rating scoring based on the ranking persistency of each fund Information Ratio.

Furthermore, the mutual funds can be grouped into the following four categories: money markets [2 funds] fixed income (we pick from 5 funds covering bonds across the whole rating spectrum and both DM and EM borrowers), equities (we have an open relationship with 9 funds focused on specific geographies) and themes (here we have 7 funds, investing in equities geared to robotics, security, digital, gold, real estate, clean energy, healthcare, millennials spending and commodities).
Each of the 4 active model portfolio has a different composition in term of fixed income, equity and thematic investing e.g. the Growth Model Portfolio is 35% into fixed income, 50% into equities and 15% into themes. All model portfolios are denominated in USD although some of the investments within are exposed to their local currency of denomination. Below the most recent allocations of QNB Model Portfolios in percentage points by asset:

Model Portfolio	Conservative	Balanced	Growth	Aggressive
Investment Grade	22.5	10		
High Yield	15	20	15	
Emerging Countries Dollar bonds	2.5	5		
MENA	10	10	5	
Total Fixed Income	**50**	**45**	**20**	**0**
Global Equities	22.5	23		
US Growth			32.5	44
US Value			9.5	18
US Small and Mid		4.5	4.5	4.5
EU Growth			4	4
Asia Pacific				0
Japan				0
Emerging Markets				0
MENA				0
Total Equities	**22.5**	**27.5**	**50.5**	**70.5**
REITS		2	4.5	4.5
Gold	3.5	3.5	6	6
Oil		2	4	4
Cash	24	20	15	15
Grand Total	**100**	**100**	**100**	**100**

AWM also writes and distribute to all Clients the QNB I/O a monthly publication offering our comments on past performances and our understanding of the opportunity set available at each point in time.
The latest available issue of the Investment Outlook is also posted on our website and in there we refer to the Model Portfolios at length.

Selected performances of QNB Model Portfolios:

	QNB Model Portfolios: performance and risk metrics at 13.08.2026						
	Total Return month to date	**Total Return YTD**	**Total Rtn 1Y**	**Std Dev 1Y**	**Total Rtn 3Y**	**Max Draw-down 1Y**	**Max Draw-down 3Y**
Target 0	0.3	2.2	3.8	0.1	4.6	0.0	0.0
Target 3	0.1	0.9	2.2	0.3	4.3	-0.3	-0.3
Target 10	0.3	2.5	5.9	2.6	7.1	-2.6	-3.4
Target 18	0.9	5.6	11.1	5.5	11.3	-4.2	-8.7
Conservative	1.4	3.7	8.4	4.3	10.2	-3.7	-5.5
Balanced	1.5	6.5	11.7	4.5	11.7	-3.3	-7.5
Growth	3.0	9.7	17.0	7.5	14.8	-5.3	-15.4
Aggressive	3.8	11.5	20.2	9.6	17.0	-7.1	-18.8
60/40	1.3	7.9	15.2	8.2	14.1	-7.1	-12.5
Islamic 60/40	1.5	12.0	18.2	9.5	13.8	-8.2	-10.6
Unconstrained Total Return	2.2	10.2	15.9	6.2	16.6	-4.1	-14.0

The following chart provides a summary of the Conservative [blue line] and Aggressive Models since inception in January 2013.

Cumulative Performance of Conservative (+4.5% annual return) and Aggressive (+8.25%) QNB Model Portfolios at 30th June 2026 beginning January 2013