CBWealth

البنك التجاري
COMMERCIAL BANK

Investment Insights

CB Wealth Management

Positioning for Success

As Qatar goes through its metamorphosis as a financial and tourism hub, the need for sound and responsible Wealth Management advisory is increasingly important. As we progress on this growth journey, Wealth Management will play a pivotal role in providing our clients with the right tools & insights to make informed financial decisions.

We have worked consistently towards developing a well diversified team of qualified individuals who have been extensively trained and empowered to better guide our clients. With a full-fledged advisory team in place we are ideally poised to sustain our strong growth, leverage customer relationship synergies and create an exceptional service experience for our clients.

The traditional understating that Wealth Management services are accessible only to a limited segment of customers is a thing of the past. Today, we are able to provide a customized investment experience for our customers that is in line with their individual financial aspirations. An important part of our strategic vision involves educating our customer base as well as the market at large on the wide range of investment opportunities available under the Wealth Management platform. In order to achieve this objective, this special edition booklet is, dedicated to provide you, our valued customers, with the essential tips and guidance you need to navigate your financial journey.

Within these pages, you will find insights on managing risk, diversifying your investments, maximizing saving efficiency, and the art of long-term financial planning—all delivered with a personal touch. We firmly believe that wealth management is a deeply individual journey, and we are here to help you chart the course that aligns with your aspirations and risk appetite.

Marlena

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EGM, Head of Retail Banking

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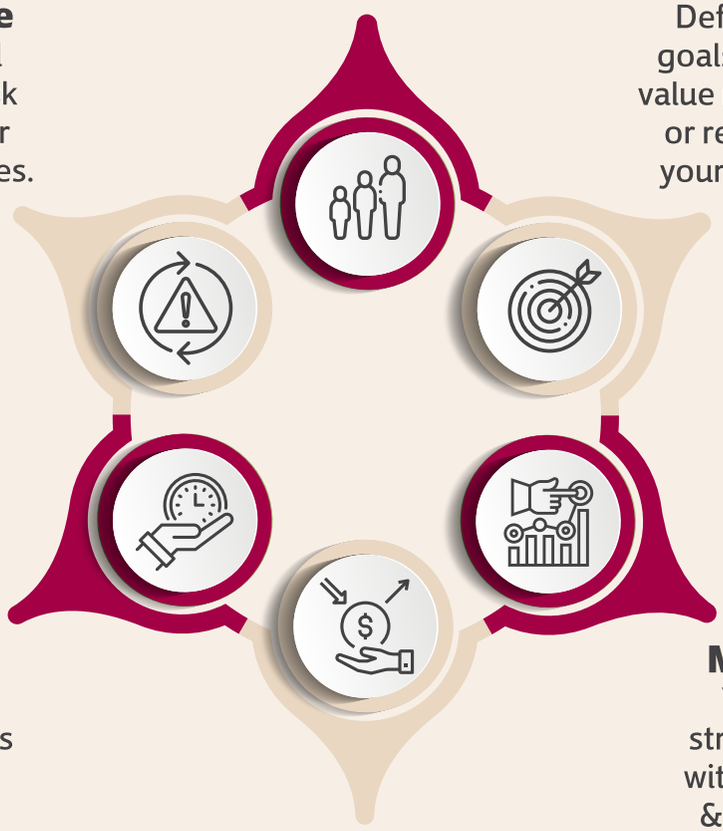
Head of Wealth Management
Product Development and Service

Key considerations when investing

Age
The younger you are, the more time you have to grow your portfolio.

Risk Appetite
Your ability and desire to take risk determines your investment choices.

Goals
Define your financial goals in terms of target value required at maturity or regular saving from your source of income.



Time Horizon
The longer you can hold your investments the better you can manage volatility.

Market Trends
Your investment strategy should align with changing market & economic trends.

Income vs. Expenses
The more you save, the more you can invest!

Market Volatility
When prices go up and down a lot, it's called "market volatility." This can happen because of different reasons like the economy, world events, or how investors feel. When the market is very volatile, it can make it harder to predict how your investments will do, and it might affect how you make investment decisions.

Planning your finances

There are a number of determining factors to consider when planning your finances.

Setting a Budget

Investing Disposable Income

Needs vs. Wants

Financial 'needs' are expenditures that are essential for maintaining a comfortable lifestyle including necessities such as accommodation, utilities & transport. Whereas 'wants' can include expenditure on luxury items such as designer goods and luxury cars etc. It is important to identity and understand the difference between each and plan your expenses consciously.

Developing an expenditure budget is an introspective exercise that needs to be done with complete honesty. Having a budget does not necessarily mean cutting expenses. Rather it is an activity that can provide clarity on how and where one is spending and allows one to set limits on how much they wish to spend on wants.

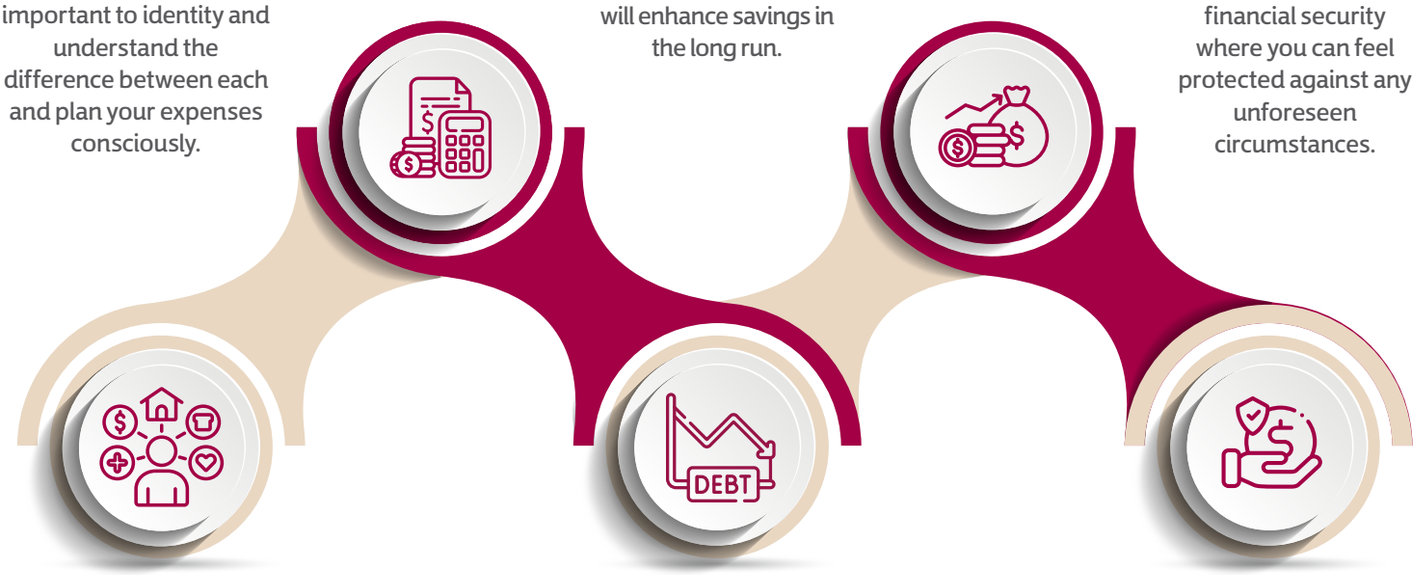
Reducing Debt

Having to make debt payments each month means have less money to allocate toward your financial goals. Long term revolving debt can carry significant charges. Therefore a part of your budget should be focused on reducing debt which will enhance savings in the long run.

Disposable income refers to net savings after your expenses have been met. Through regular monitoring of expenses and a disciplined approach you can enhance your regular savings. It is important to actively invest your savings to ensure that your Wealth grows over time and any potential negative impact from inflation can be effectively managed.

Building Financial Security

Your investment portfolio should always include some liquid investments. Liquidity means that you can get access to your funds within 5 days or less in the event of a sudden need. Developing such an emergency fund can allow you to build financial security where you can feel protected against any unforeseen circumstances.



Diversification

How can I diversify my wealth?

Invest your portfolio in multiple asset classes

You can significantly reduce risk by investing in a diversified portfolio of investments that is spread across multiple asset classes.

Mutual Funds | Bonds | Stocks | Tailored Solutions

You can further diversify your portfolio by spreading your investments on basis of the following

Geography

Industry

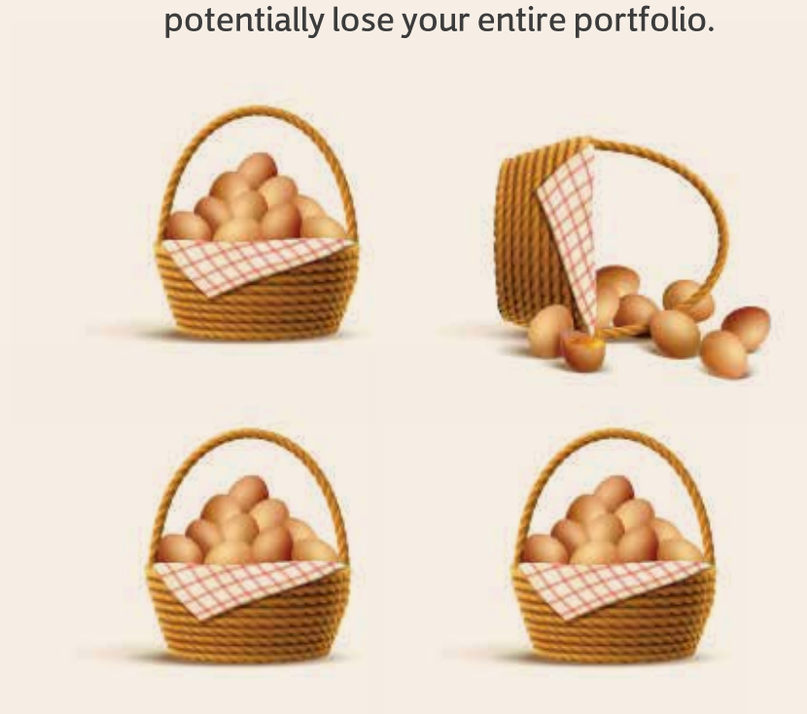
Company Size

ESG

How does it work?

Single investment

In the event of a market shock, you can incur large losses and potentially lose your entire portfolio.



Diversified across multiple investments

Despite a market shock, your losses will be limited by asset class. While one investment may incur a loss, others will make gains and cover for it!

To Risk or Not to Risk?

Risk vs Return

In the world of financial investments, one principle reigns supreme: Low Risk – Low Return, High Risk - High Return. You cannot have high returns without taking on the possibility of a higher financial risk.

When investing your money, you must remember that there are always inherent risks which you must evaluate and understand. While risk cannot be eliminated, it can certainly be managed in line with your risk appetite and expectations.

How much risk you are willing to take in your investment portfolios is directly related to your risk profile. By going through a risk profiling exercise, you can get an insight towards your appetite for investment risk. Ideally, your investments should reflect not just your appetite but also your capacity to take on financial risk which is a function of your financial strength and expected time horizon of investments.

Understanding your Risk Profile

Completing your personal risk profile is easy! All you have to do is answer some questions and you can determine your individual risk profile which can fall under one of following categories:

Risk Tolerance	Investment Objective
Risk Averse	Such investors are keen to protect capital and generate interest income in line with money market rates.
Conservative	Focused primarily towards generating regular income returns and some capital appreciation as a secondary consideration.
Moderate	Aim to generate both regular income returns and capital appreciation and willing to accept moderate level of losses in the short term to generate higher long term returns.
Growth	Growth investors are geared towards generating a high level of capital appreciation and are willing to bear a higher risk of losses in the short to medium term to generate higher value in the long term.
Aggressive	Aggressive investors are compatible with specialist investments or investment strategies that may require an extended period to liquidate and which seek to provide aggressive capital appreciation over time.

How Does it Work?

Start with a minimum amount of QAR 50,000

QAR 25,000 = 50%

50% = QAR 25,000

Split equally across Deposit and Mutual Funds

Mutual Funds

We will help you select the right Mutual fund in line with your risk profile from a global line up of Mutual funds

Term Deposit

Enjoy a preferential deposit rate!
5.00% p.a. on 6 months deposit
5.75% p.a. on 12 months deposit

Contact a Wealth Advisor

With CB you can learn much more!

Would you like to have an in-depth discussion to review your financial goals and growth potential? Allow us to partner with you on your investment journey. Please write to us at wealthadvisory@cbq.qa for an exclusive opportunity to benefit from a tailormade Wealth Management experience.