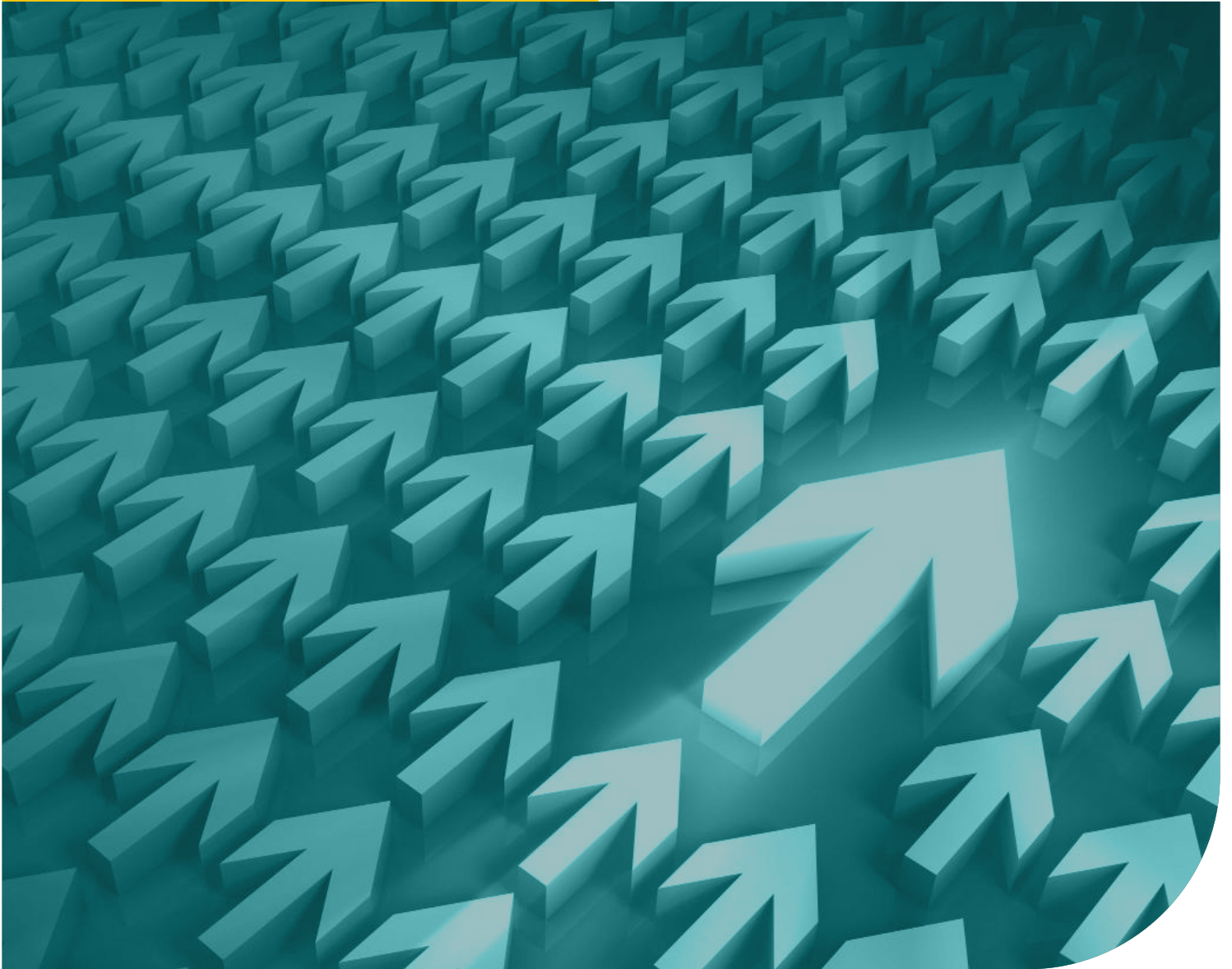




الشركة الإسلامية العربية للتأمين (ش.م.ع.)  
ISLAMIC ARAB INSURANCE CO.(P.S.C.)

**NOVEMBER 2023**



# INVESTMENT OVERVIEW (SALAMA STRATEGIES & FUNDS)



## **Strong foundation for a better future**

SALAMA Islamic Arab Insurance Company is one of the world's largest and longest-established Shari'ah compliant Takaful solutions providers listed on the Dubai Financial Market, with paid-up capital of AED 939 Million (USD 255 Million). SALAMA has been a pioneer in the Takaful industry from its incorporation in 1979 to the present day.

SALAMA's stability and success can be attributed to its customer-centric approach, keeping clients and partners at the heart of the business, and its commitment to its core values and principles. SALAMA continues to design and develop solutions that meet the ever-changing demand of customers. Today, SALAMA is recognised for providing the most competitive and diverse range of Takaful solutions in the region.

SALAMA serves individual customers and institutions in the UAE and through its subsidiaries in Egypt.

As the UAE's leading Takaful company, SALAMA offers a comprehensive range of family, motor, general and health Takaful solutions. Due to its reputation for high-quality products and services and implementation of Takaful best practice, SALAMA won the "FAMILY TAKAFUL COMPANY OF THE YEAR" at Middle East Insurance Industry Awards 2015, "BEST FAMILY TAKAFUL OPERATOR - ME" at Islamic Banking & Finance Awards 2016, "BEST TAKAFUL OPERATOR" at Islamic Business and Finance Awards 2019, "TAKAFUL COMPANY OF THE YEAR" at Middle East Insurance Industry Awards 2020, "TAKAFUL COMPANY OF THE YEAR - UAE" at Global Business Outlook Awards 2021, "BEST TAKAFUL SERVICE PROVIDER" at Global Economics Awards 2021, "DECADE OF EXCELLENCE TAKAFUL PROVIDER - UAE" at Global Banking & Finance Awards 2021, "TAKAFUL SPECIALIST OF THE YEAR" at The Mena Insurance Awards 2022, "LEADING INNOVATIVE TAKAFUL SOLUTION PROVIDER" at Insuretek Middle East Insurance Industry Awards 2022, "BEST OMNICHANNEL CUSTOMER HAPPINESS INITIATIVE" at Customer Happiness Summit & Awards 2022, "TAKAFUL SPECIALIST" at The Mena Insurance Awards 2023, and the recent "TAKAFUL COMPANY OF THE YEAR" at Insuretek Golden Shield Excellence Awards 2023.

SALAMA continues to be the preferred Takaful partner by its partners and customers, remaining committed to 'Securing our future – together.'



## **Sharia'h Supervisory Committee**

SALAMA has a Sharia'h Supervisory Committee, which is an independent board of qualified scholars of international repute.

The members of this Committee are:

### **Dr. Mohamad Daud Bakar:**

He received his first degree in Shari'ah from University of Kuwait and a Ph.D. from University of St. Andrews, United Kingdom.

### **Dr. Amin Fateh:**

He has Masters in honorable Hadith from the University of Jordan, and a Ph.D. in Islamic studies from the University of Birmingham in Britain.

### **Dr. M. A. Qattan:**

He has a Ph.D. in Islamic Banking from Birmingham University, UK and a BA in Islamic Economics from Al-Imam University in Riyadh, Saudi Arabia.



## **Market Commentary**

November saw a strong rebound in equity markets after a difficult few month. The S&P returned almost 9%, the Nasdaq close to 11%, with Europe up over 6% and Japan over 5%. Only China missed out being flat over the month due to ongoing concerns with their heavily indebted property sector. The main catalyst appeared to be the significant drop in bond yields, with the US 10y falling 60bp, one of the largest moves in 30 years. However, generally better than expected third quarter results also contributed to the rally.

The strongest sectors were once again in tech, with semiconductors, semiconductor equipment and software all outperforming. The rise in artificial intelligence is boosting revenue and earnings growth across these sectors. Data centre demand has accelerated as more companies require usage of the cloud to access AI enabled products. This benefits the hardware makers such as Nvidia and the data centre hosts such as Amazon and Microsoft. More recently software businesses that are embedding generative AI models into their products are seeing growth accelerate as they charge a premium for these products. On the downside the energy sector fell again due to ongoing weakness in the oil price due to faltering demand and growing non-OPEC supply.

Oil prices down 5.2% in November translating to 3.5 YTD. Saudi Arabia managed Nov. 30 to bring several other OPEC+ producers into its voluntary oil supply cuts and clinch an agreement from Russia to increase its cut in the first quarter of 2024. But OPEC+'s recent move spurred concerns and has led to depressed Brent and diesel prices. The cartel's plan lacked substance given the United Arab Emirates is likely to raise output, while other smaller nations may only show cuts on paper as they're already failing to meet quotas. Russia's reductions may not hold, with half involving fuel oil vs. crude. Speculative positions in crude oil were relatively bearish going into the OPEC+ meeting, discounting any real effect from the event. Pressures on consumers globally are limiting upside for crude in the short term. Supply growth from Iran and Venezuela may also mute prices.

# Funds Performance Sheet

November 2023

								Fund Performance in Percentage %									Fund Management Charges
Risk <sup>(1)</sup> Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in millions (All Share Class)	Fund Currency	Asset Class	Fund Inception Date	Month to Date	Year to Date	6 Month	Year wise			Cummulative			Annualized since inception	
										2022	2021	2020	3 years	5 years	Since inception		
A	AE000A2QB2C7	Shuaa Nujoom Aggressive "A" (USD) ACC	22.00	USD	Multi Asset Class	Nov-20	1.88%	3.90%	1.22%	-9.86%	7.95%	1.51%			14.29%	4.45%	Mgmt Fee: 1.75%, Perf Fee (HWM): 20%
B	AE000A2QB2D5	Shuaa Nujoom Balanced "A" (USD) ACC	46.70	USD	Multi Asset Class	Nov-20	3.12%	2.09%	-0.60%	-9.86%	6.78%	1.87%			1.09%	0.35%	Mgmt Fee: 1.25%, Perf Fee (HWM): 20%
C	AE000A2QB2B9	Shuaa Global Sukuk Fund OEIC IC	126.40	USD	Sukuk	Sep-22	2.52%	1.92%	0.77%						2.38%	1.97%	Mgmt Fee: 1.00%, Perf Fee (HWM): 20%
A	AE000A3CSWT0	Shuaa Global Equity Fund OEIC IC	71.50	USD	Equities	Dec-22	9.43%	12.98%	4.10%						9.15%	9.18%	Mgmt Fee: 1.5%, Perf Fee (HWM): 15%
A	AE000A3CSWS2	Shuaa North America Equity Fund OEIC IC	25.70	USD	Equities	Dec-22	7.48%	17.75%	6.77%						14.68%	14.72%	Mgmt Fee: 1.5%, Perf Fee (HWM): 15%
A	AE000A3EHBJ4/ AE000A3CSWU8	Shuaa Saudi Equity Fund OEIC IC	43.70	SAR/ USD	Equities	Jul-23	4.37%	0.39%							0.39%	1.16%	Mgmt Fee: 1.5%, Perf Fee (HWM): 15%

(Managed by Shuaa Capital)

A	ALHCTRE:AB	SNB Capital Global Health Care Fund	48.70	USD	Equities	Oct-00	6.70%	-1.64%	-0.06%	-13.02%	16.99%	16.12%	3.90%	30.57%	213.54%	5.05%	1.85%
A	AHEURIN:AB	SNB Capital Europe Index Fund	96.00	USD	Equities	Nov-94	10.45%	13.04%	1.03%	-21.79%	16.77%	19.38%	8.94%	54.73%	397.47%	5.68%	0.30%
A	AHASPCI:AB	SNB Capital Asia Pacific Index Fund	58.70	USD	Equities	May-00	12.08%	7.77%	-1.99%	-24.15%	-2.98%	27.54%	-18.09%	18.39%	79.42%	2.51%	0.30%
A	AHEMINF:AB	SNB Capital Emerging Markets Index (USD) ACC	79.55	USD	Equities	Oct-06	7.04%	-0.71%	1.17%	-24.57%	-5.40%	35.16%	-22.26%	12.30%	57.50%	2.68%	0.30%
C	ALDIUSD:AB	Diversified US Dollar Trade Fund	179.40	USD	Money Market	Oct-03	0.36%	3.78%	2.18%	1.43%	0.58%	1.32%	5.94%	10.15%	43.40%	1.80%	0.75%
C	ALINTRA:AB	SNB Capital International Trade Fund	113.72	USD	Money Market	Mar-87	0.42%	4.59%	2.69%	1.50%	0.38%	1.22%	6.61%	10.93%	190.30%	2.94%	0.45%

(Managed by SNB Capital)

# Funds Performance Sheet

								Fund Performance in Percentage %									Fund Management Charges
Risk <sup>(1)</sup> Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in millions (All Share Class)	Fund Currency	Asset Class	Fund Inception Date	Month to Date	Year to Date	6 Month	Year wise			Cummulative			Annualized since inception	
										2022	2021	2020	3 years	5 years	Since inception		
A	IE00BMF77083	Deutsche Noor Precious Metals Securities "LC" (USD)ACC	50.60	USD	Commodity Equities	Feb-07	7.14%	-3.23%	-3.23%	-10.14%	-13.28%	22.83%	-34.12%	36.83%	-41.00%	-3.14%	1.50%
(Managed by Deutsche Asset Mangment )																	
A	GB00BLD0R249	OGM Oasis Crescent Global Property Equity "A" ACC	74.81	USD	Real Estate	Sep-06	10.79%	7.27%	4.65%	-29.84%	32.60%	-11.10%	3.40%	-5.00%	20.90%	1.11%	2.00%
(Managed by OASIS Global Management) <sup>(2)</sup>																	
A	GB00B1436X66	Emirates World Opportunities "A" ACC(3)	35.92	USD	Equities	Apr-06	7.59%	9.54%	1.47%	-22.74%	23.39%	3.17%	6.22%	12.54%	50.70%	2.36%	Mgmt Fee:1.5%, Perf Fee:20%
A	JE00B244B530	Emirates Emerging Market Equity "A" ACC(4)	11.29	USD	Equities	Apr-12	11.73%	5.22%	4.92%	-25.06%	-0.41%	15.56%	-18.11%	2.51%	-23.13%	-2.23%	1.50%
A	LU1484867434	Emirates Islamic India Equity Fund	23.03	USD	Equities	Nov-16	5.74%	16.29%	11.46%	-31.31%	30.00%	32.95%	15.16%	46.08%	53.70%	6.28%	1.75%
B	GB00B1224310	Emirates Global Sukuk "A" ACC	144.28	USD	Sukuk	Apr-10	2.65%	1.51%	-0.24%	-7.69%	-0.99%	5.10%	-5.99%	7.95%	44.72%	2.75%	1.25%
B	GB00B1436W59	Emirates Islamic Global Balanced "A" ACC	41.29	USD	Multi Asset Class	Apr-06	4.23%	5.11%	1.60%	-15.61%	9.97%	8.86%	0.40%	16.13%	36.82%	1.79%	1.60%
C	JE00B5T1J560	Emirates Islamic Money Market "A" ACC	294.55	USD	Money Market	Apr-10	0.42%	3.98%	2.28%	1.14%	0.33%	1.49%	5.62%	9.27%	18.08%	1.23%	0.50%
(Managed by Emirates NBD Asset Management)																	
A	IE00B3ZL9H82	Comgest Growth Europe S (USD) ACC	80.50	USD	Equities	Dec-10	12.53%	17.66%	2.43%	-26.14%	23.25%	21.42%	13.51%	63.81%	189.39%	8.53%	2.00%
(Managed by Comgest Asset Management International)																	
B	AEDFXA1W2ZD7	Mashreq Al Islami Income Fund "D" (USD) ACC <sup>(6)</sup>	86.00	USD	Sukuk	Jun-09	3.40%	1.10%	-0.84%	-10.52%	-2.37%	1.93%	-10.80%	-0.30%	13.30%	0.87%	1.50%
(Managed by Mashreq Asset Management)																	
A	MU0316S00010	Tata Indian Sharia Equity "B" (USD)	29.28	USD	Equities	Oct-10	5.74%	16.59%	10.06%	-16.00%	38.97%	23.32%	49.25%	71.81%	109.27%	5.77%	2.00%
(Managed by Tata Asset Management (Mauritius) Private Ltd)																	
A	IE00B56MXK54	Islamic Asean Equity USD A ACC	4.40	USD	Equities	Apr-12	0.98%	-8.15%	-4.64%	-6.42%	-1.47%	-2.06%	-14.52%	-8.42%	-7.60%	-0.68%	1.50%
(Managed by CIMB - Principal Islamic Asset Management (Ireland) (PLC))																	

<sup>(1)</sup> A = Aggressive, <sup>(1)</sup> B = Balanced, <sup>(1)</sup> C = Conservative

<sup>(2)</sup> The Fund house manages Accumulation Share Class which is offered by SALAMA. The 3yrs, 5yrs and SI performance of above funds are of Distribution Share Class

<sup>(3)</sup> The fund has launched "A" share class on Nov 15, 2010 which is offered by SALAMA. The 5yrs and Since inception performance is of "P" share class

<sup>(4)</sup> Inception of new management from April 1, 2012. SALAMA offers A share class. The YTD, MTD, 2016, 2015, 2014, 3 Years and SI performance is of I Class

<sup>(6)</sup> The fund has launched "D" share class on Dec 6, 2012 which is offered by SALAMA. The 5 years, and since inception performance is of "B" share class

## SALAMA Aggressive Investment

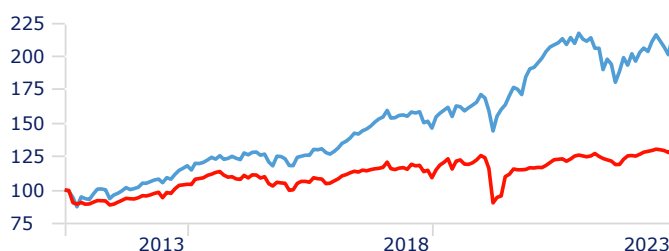
### Shariah Compliant

As of 30/11/2023

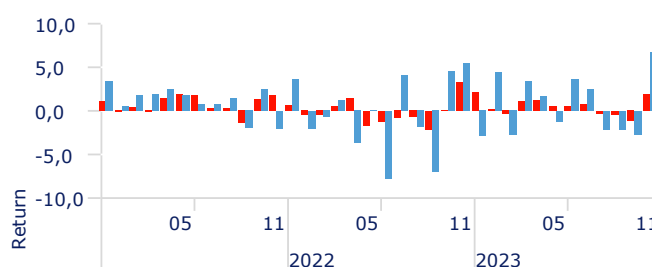
NAV: 130,39

- SALAMA Aggressive Strategy places a higher percentage of their assets in equities rather than safer debt securities because they are willing to accept market swings, and seeks a higher potential return on their investments.
- The strategy builds a portfolio that bear a fairly high amount of risk however the strategy has a maximum exposure to equities to limit the downside risk.
- The breakdown of the index is MSCI World Islamic NR \$ Index 45%, MSCI EM Islamic NR \$ Index 15%, S&P GCC Composite Shariah Index 10%, Citi Sukuk Index 25%, Islamic Money Market 5%

#### Cumulative Performance Since Inception



#### Monthly Rolling Performance - 3 Years



— SALAMA Investment Aggressive Strategy

— DJIM World 75%, JPM Cash Index USD 1m 25%

— SALAMA Investment Aggressive Strategy

— DJIM World 75%, JPM Cash Index USD 1m 25%

#### Risk

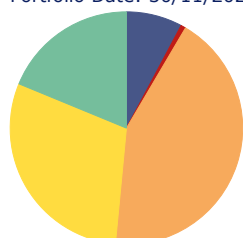
	Std Dev	Sharpe
SALAMA Investment Aggressive Strategy	4,06	0,35
DJIM World 75%, JPM Cash Index USD 1m 25%	11,62	0,33

#### Monthly Returns - Salama Investment Aggressive Strategy

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2023	0,22	-0,36	1,11	1,22	0,52	0,48	0,78	-0,34	-0,45	-1,18	1,88		3,90
2022	-0,52	-0,48	0,50	1,46	-1,70	-1,25	-0,84	-0,72	-2,15	0,02	3,25	2,10	-0,49
2021	-0,18	0,40	-0,14	1,39	1,86	1,72	0,26	0,27	-1,44	1,36	1,79	0,60	8,13
2020	-1,26	-6,51	-22,21	4,55	1,18	15,10	1,63	3,52	-0,51	0,00	0,22	1,12	-7,24
2019	5,40	3,07	1,80	2,18	-6,24	5,15	0,71	-2,58	-0,14	1,03	1,82	2,60	15,20
2018	3,32	-4,10	-0,52	0,90	0,32	-1,04	3,22	-0,97	0,30	-3,97	0,92	-4,87	-6,67
2017	1,52	2,01	0,87	1,25	0,98	-0,52	1,27	-0,43	0,76	0,56	0,29	0,66	9,58
2016	-5,00	0,37	4,83	1,41	0,00	-0,60	3,19	-0,67	-0,20	-3,21	0,34	1,57	1,67
2015	-0,35	2,81	-1,73	2,11	-0,14	-2,02	0,93	-4,75	-1,68	2,71	-0,44	-0,30	-3,06
2014	-0,15	3,79	0,47	0,50	1,67	0,80	1,17	0,61	-2,39	-1,37	0,32	-1,48	3,87
2013	1,60	-0,23	0,86	1,14	0,84	-4,14	4,15	-0,67	3,52	2,57	0,32	0,46	10,67
2012	1,53	1,28	-0,13	-0,13	-3,32	0,68	1,67	1,53	1,60	-0,32	-0,18	1,04	5,25
2011	—	—	—	—	—	—	-0,39	-9,26	-1,19	1,48	-1,46	0,20	—

#### Asset Type Breakdown

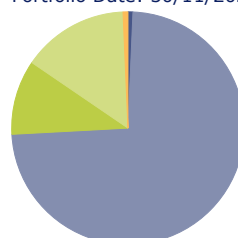
Portfolio Date: 30/11/2023



	%
• Equity	7,8
• Cash	0,7
• Sukuk	43,0
• Private Debt	29,7
• Private Equity	18,8
• FoF	0,0
<b>Total</b>	<b>100,0</b>

#### Strategy Breakdown

Portfolio Date: 30/11/2023



	%
• US & Canada	0,7
• Mena	73,5
• Europe	10,4
• Asia ex Japan	14,8
• Cash	0,7
<b>Total</b>	<b>100,0</b>

#### Monthly Commentary

After a strong move in equities, some consolidation in the near term should be expected. However, December is seasonally a strong month so a further rise in risk appetite should not be ruled out. Into 2024 the market appears to be pricing a soft landing that allows central banks to cut interest rates without the economy slowing too much. In the event the slowdown turns out to be more severe we continue to invest in high quality growth businesses that will generate strong earnings and cash flow even in a weaker economic environment.

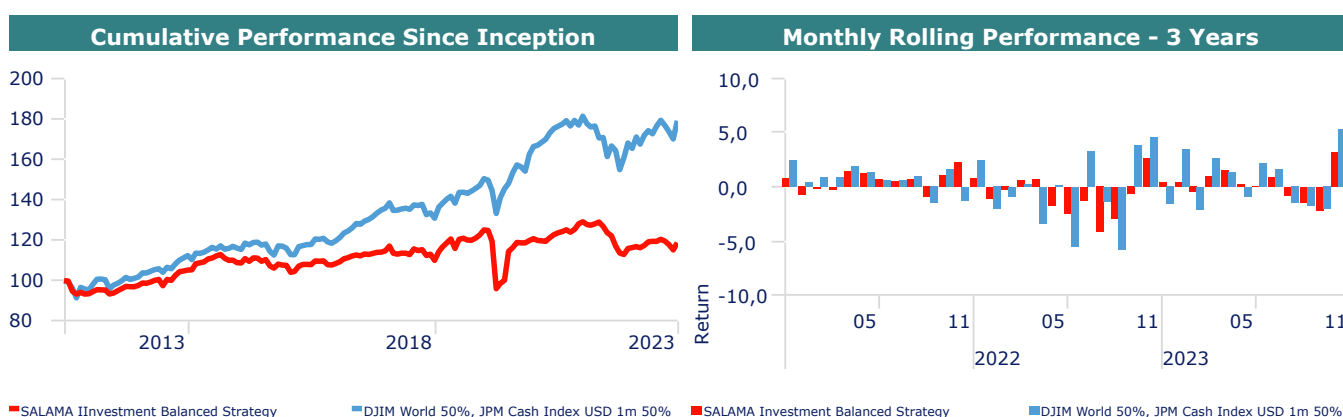
## SALAMA Investment Balanced

### Shariah Compliant

As of 30/11/2023

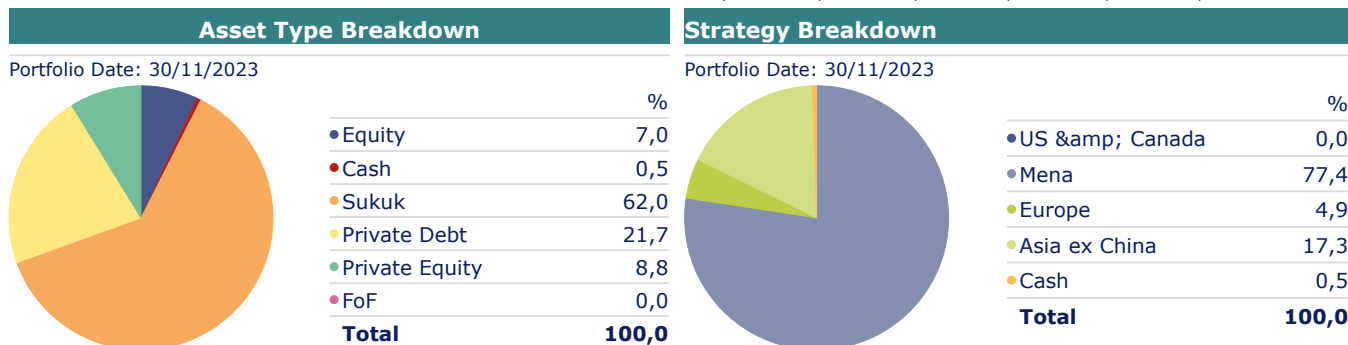
NAV: 118,74

- SALAMA Balanced Strategy is suitable for those investors with a longer time horizon and have some risk tolerance due to its moderate risk-reward profile. It analyzes all asset classes and decides the best allocation among a wide range of funds.
- The key to a balanced investment strategy is in the diversification and management of the portfolio
- The breakdown of the index is MSCI World Islamic NR \$ Index 30%, MSCI EM Islamic NR \$ Index 10%, S&P GCC Composite Shariah Index 5%, Citi Sukuk Index 50%, Islamic Money Market 5%



Risk		
	Std Dev	Sharpe
SALAMA Investment Balanced Strategy	4,97	-0,60
DJIM World 50%, JPM Cash Index USD 1m 50%	8,75	0,17

Monthly Returns - Salama Investment Balanced Strategy												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2023	0,39	-0,47	1,00	1,51	0,19	-0,03	0,88	-0,78	-1,46	-2,19	3,12	
2022	-1,05	-0,30	0,58	0,67	-1,69	-2,43	-1,23	-4,14	-2,93	-0,66	2,63	0,41
2021	-0,74	-0,14	-0,21	1,46	1,26	0,73	0,50	0,72	-0,93	1,06	2,24	0,80
2020	-0,23	-4,28	-19,57	2,73	1,57	14,17	1,68	2,17	-0,17	0,00	0,95	0,79
2019	3,91	2,06	1,67	1,64	-3,89	3,90	0,45	-0,75	-0,08	0,89	1,29	2,00
2018	2,11	-3,03	-0,41	0,44	-0,04	-0,58	2,50	-0,75	0,43	-2,50	0,56	-2,69
2017	0,87	1,23	0,52	0,75	0,44	-0,39	0,81	-0,20	0,46	0,46	0,08	0,54
2016	-3,18	0,40	2,50	0,77	0,05	-0,15	1,73	-0,15	0,17	-1,73	-0,12	0,70
2015	-0,13	1,99	-1,22	1,55	-0,10	-1,41	0,77	-2,84	-1,00	1,87	-0,46	-0,13
2014	0,11	2,87	0,41	0,39	1,37	0,41	0,95	0,59	-1,63	-0,94	0,09	-1,13
2013	1,22	-0,16	0,61	0,84	0,48	-3,10	3,19	-0,47	2,41	1,83	0,32	0,44
2012	1,15	1,01	-0,15	-0,01	-2,09	0,50	1,22	1,10	1,15	-0,17	-0,02	0,70
2011	—	—	—	—	—	—	-0,23	-5,02	-1,47	0,93	-0,93	0,20



### Monthly Commentary

On the rates, the hiking cycles have likely concluded across G10 economies, except Japan. However, the degree of policy easing priced into markets appears excessive and premature. Moving forward, higher mid-cycle inflation and acceleration of unemployment rate will determine the extent of rate cuts in 2024, while term premia may remain elevated due to longer-end treasury issuance and U.S. fiscal concerns. Our base case scenario anticipates a 50 to 75 basis points rate cut (already factored into the curve) in the second half of 2024, even in a non-recessionary environment, potentially resulting in a slight bullish steepening of the curve.



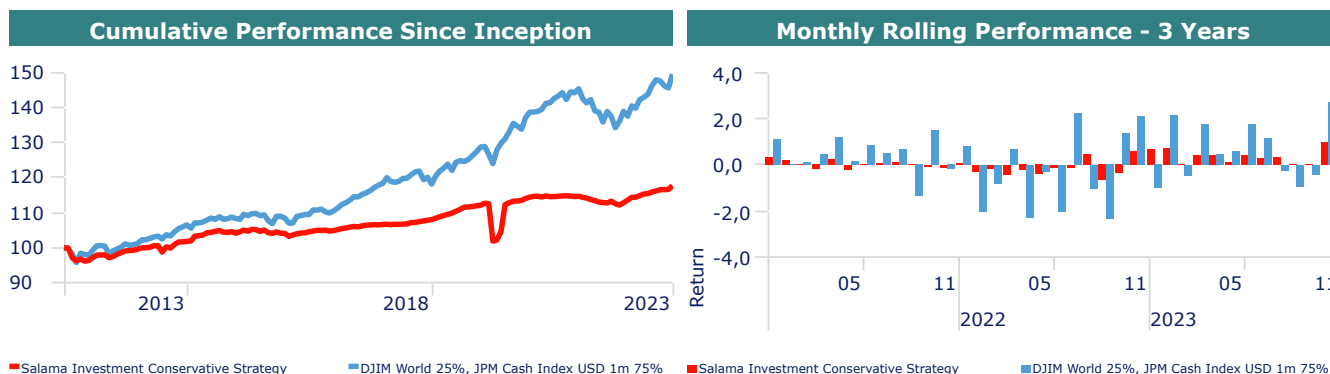
## SALAMA Investment Conservative

### Shariah Compliant

As of 30/11/2023

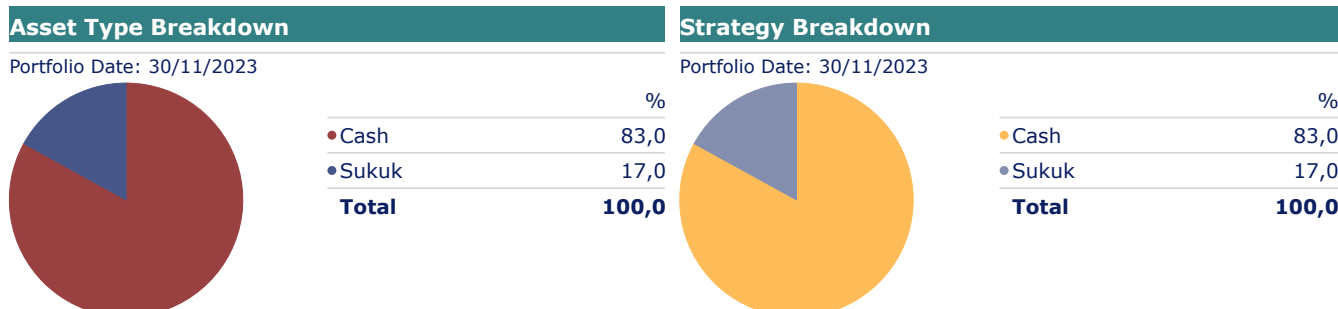
NAV: 117,70

- SALAMA Conservative Strategy focuses on capital preservation and moderate growth. It analyzes all asset classes, decides the best allocation and places a high percentage of investable assets into lower risk securities among a wide range of funds.
- The main purpose of this strategy is capital preservation offering the client a very limited exposure to other assets that can enhance the performance without adding volatility.
- The breakdown of the index is Dow Jones Islamic Market World 25%, JP Morgan cash Index USD 1 month 75%.



Risk		
	Std Dev	Sharpe
SALAMA Investment Conservative Strategy	1,11	-1,20
DJIM World 25%, JPM Cash Index USD 1m 75%	4,53	0,16

Monthly Returns - SALAMA Investment Conservative Strategy													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2023	0,71	0,01	0,39	0,41	0,10	0,40	0,26	0,31	0,01	0,03	0,95		3,64
2022	-0,28	-0,16	-0,42	-0,22	-0,39	-0,11	-0,12	0,47	-0,65	-0,35	0,59	0,67	-0,96
2021	0,19	0,04	-0,18	0,26	-0,19	0,02	0,07	0,09	0,04	-0,07	-0,12	0,08	0,23
2020	0,49	-0,12	-9,48	0,31	2,37	7,33	0,49	0,38	0,06	0,14	0,50	0,32	2,03
2019	0,37	0,37	0,35	0,29	0,32	0,48	0,49	0,58	0,02	0,13	0,18	0,16	3,81
2018	0,05	-0,09	0,08	-0,01	0,04	0,06	0,36	0,05	0,22	0,17	0,17	0,19	1,30
2017	0,26	0,25	0,17	0,25	0,18	-0,11	0,27	0,18	0,07	0,06	-0,05	0,12	1,66
2016	-0,80	0,32	0,36	0,21	0,07	0,30	0,18	0,21	-0,02	0,06	-0,25	0,14	0,77
2015	0,39	0,48	-0,32	0,52	-0,07	-0,50	0,38	-0,72	-0,21	0,44	-0,39	-0,02	-0,03
2014	0,10	1,35	0,15	0,15	0,65	0,11	0,25	0,26	-0,45	-0,07	0,23	-0,46	2,29
2013	0,39	0,01	0,13	0,43	0,02	-1,82	1,51	-0,34	1,00	0,73	0,04	0,13	2,21
2012	0,89	0,70	0,01	0,07	-0,88	0,38	0,68	0,50	0,46	0,08	0,12	0,31	3,36
2011	—	—	—	—	—	—	-0,10	-2,89	-0,78	0,56	-0,66	0,20	—



### Monthly Commentary

November witnessed a remarkable rally in the bond market, spurred by a significant decline in U.S. Treasury yields, largely attributed to the Federal Reserve's perceived dovish stance and deteriorating macroeconomic indicators. Term premium pressures eased following announcements of lower-than-expected issuance of long-dated Treasuries, contributing to a 60 basis points decline in the U.S. 10-year Treasury yield, settling at 4.32%. Real yields saw a nearly 40 basis points dip to 2.08%, causing the yield curve (2s10s) to flatten by 20 basis points, reaching -35 bps, and the 10-Year U.S. Term Premium turned negative. Market anticipation of a 2024 recession remained reflected with a fully factored 1.25% rate cut. In response, the Bloomberg U.S. Treasury market gained +3.5% in November, also marking a positive upswing (+0.7%) in 2023.

## SALAMA SECURE STRATEGY

### Fund Market Commentary

The portfolio was up 2.5% MoM in November (versus 2.5% MoM Dow Jones Sukuk Index) translating to a 2.4% YTD return (vs -0.5% YTD Dow Jones Sukuk Index).

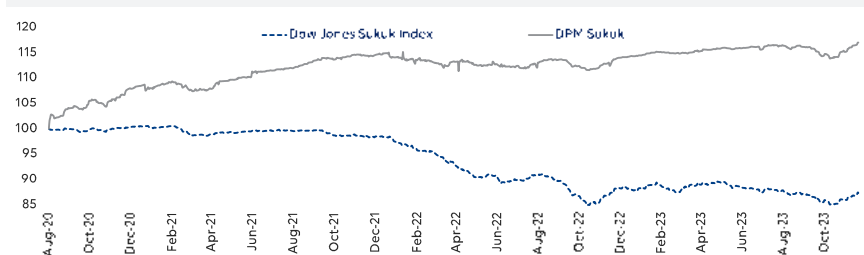
November witnessed a remarkable rally in the bond market, spurred by a significant decline in U.S. Treasury yields, largely attributed to the Federal Reserve's dovish stance and deteriorating macroeconomic indicators. Term premium pressures eased following announcements of lower-than-expected issuance of long-dated Treasuries, contributing to a 60 bps points decline in the U.S. 10-year Treasury yield, settling at 4.52%. Real yields saw a nearly 40 bps points dip to 2.98%, causing the yield curve (2s10s) to flatten by 20 bps points, reaching -35 bps, and the 10-year U.S. Term Premium turned negative. Market anticipation of a 2024 recession remained reflected with a fully factored 1.25% rate cut. In response, the Bloomberg U.S. Treasury market gained +1.5% in November, a remarkable positive swing (+0.7%) in 2023. Credit markets took prominence, maintaining strong momentum in 2023. U.S. investment-grade corporate spreads notably tightened by 22 bps points to 107 bps points, while U.S. high-yield bonds saw a significant 60 bps points decline in credit spreads to 370 bps points. GCC credit spreads remained mostly unchanged in November. This process of the Global Aggregate Bond Index upward by 5.0%, led by the investment-grade segment (+5.0%), while the High Yield index showed a decrease (-0.9%). The Dow Jones Global Sukuk index also rose (+2.5%). Regionally, Saudi (+5%), Qatar (+4.0%), and Oman (+4.4%) outperformed the rest.

We believe that the hiking cycle has likely concluded across G10 economies, except Japan. However, the degree of policy easing priced into markets appears excessive and premature. Moving forward, higher mid-cycle inflation and acceleration of unemployment rate will determine the extent of rate cuts in 2024, while term premia may remain elevated due to longer-term treasury issuance and U.S. fiscal concerns. Our base case scenario anticipates a 50 to 75 bps points rate cut (already factored into the curve) in the second half of 2024, even in a non-recessionary environment, potentially resulting in a slight bullish steepening of the curve.

SALAMA Global Sukuk Fund holds 85% of investments in listed sukuk while 15% in private debt. Within the private debt segment, the fund has invested in an entity within the UAE's oil and gas sector specializing in owning, managing, and repurposing Offshore Support Vessels (OSVs) across various growing markets. As of 31/10/2023, the underlying assets of the private debt investment exhibit positive free cash flow, with a Net Debt-to-E3 LTA multiple of 2.4x. Furthermore, this debt is secured by underlying assets valued at 9x the debt amount, offering enhanced security for the investment. The facility structure is a straightforward Murabaha at the Thalassa Fund level, without any other creditors at the Fund level.

Net Asset Value (Per unit)	117.0	YTM	8.7%
Investment Denomination	USD/AED	Average yearly Coupon	7.4%
Asset Class	Sukuk	Duration (Years)	4.9
Geography	Global	Avg Rating	BB
Leverage (Debt/Equity)	0%	Benchmark	DJSUKUK Index

### Relative Performance



### Return Statistics vs Benchmark

	YTD	MTD	QoQ	6mn	9mn	Since Inception
Portfolio	2.4%	2.5%	0.5%	1.0%	1.9%	17.0%
Benchmark	-0.5%	2.5%	-0.1%	-1.5%	-0.6%	12.8%
Relative Performance	2.9%	0.0%	0.6%	2.5%	2.4%	23.7%

### Return Statistics

	Sharp Ratio	Tracking error	Volatility	Annualised return
Portfolio	1.6	8.9%	17.0%	4.9%

### Return Statistics (Annualised %)

12 mn	2.9%	Mubadala Mezz Share SPV 1	15.4%
18 mn	2.6%	KSA 45% 05/22/33	6.7%
24 mn	1.2%	SECO 5.06% 04/08/204	6.1%
36 mn	3.1%	TFGSUK 7.50 08/07/24 C	6.0%
CAGR	4.9%	INDOIS 4.7 06/06/32 Corp	5.9%

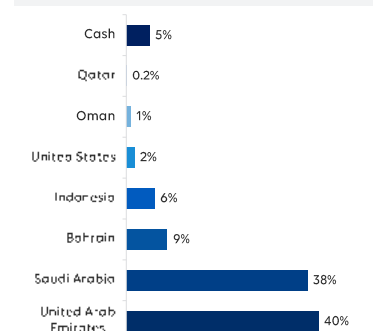
### Economically Important sectors



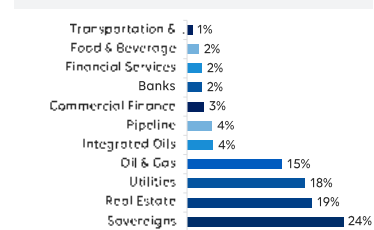
Information Classification: Public



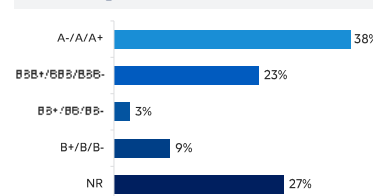
### Portfolio Country Weights



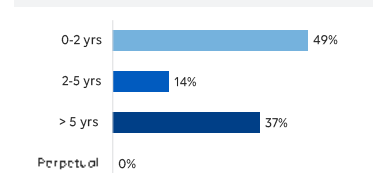
### Sector Allocation



### Credit Rating



### Duration



(Past performance is not a guarantee of future returns)

## YTD Performance - 2023

Risk <sup>(1)</sup> Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Year to date
A	MU0316S00010	Shuaa North America Equity Fund OEIC IC	25.70	USD	Equities	Dec-22	17.75%
A	LU1484867434	Comgest Growth Europe S (USD) ACC	80.50	USD	Equities	Dec-10	17.66%
A	AE000A3CSWS2	Tata Indian Sharia Equity "B" (USD)	29.28	USD	Equities	Oct-10	16.59%
A	IE00B3ZL9H82	Emirates Islamic India Equity Fund	23.03	USD	Equities	Nov-16	16.29%
A	ALINTRA:AB	SNB Capital Europe Index Fund	96.00	USD	Equities	Nov-94	13.04%
A	JE00B5T1J560	Shuaa Global Equity Fund OEIC IC	71.50	USD	Equities	Dec-22	12.98%
A	ALDIUSD:AB	Emirates World Opportunities "A" ACC(3)	35.92	USD	Equities	Apr-06	9.54%
A	AE000A3CSWT0	SNB Capital Asia Pacific Index Fund	58.70	USD	Equities	May-00	7.77%
A	AHEURIN:AB	OGM Oasis Crescent Global Property Equity "A" ACC	74.81	USD	Real Estate	Sep-06	7.27%
A	AE000A2QB2C7	Emirates Emerging Market Equity "A" ACC(4)	11.29	USD	Equities	Apr-12	5.22%

## MTD Performance for October 2023

Risk <sup>(1)</sup> Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Month to date
A	IE00BMF77083	Comgest Growth Europe S (USD) ACC	80.50	USD	Equities	Dec-10	12.53%
A	ALINTRA:AB	SNB Capital Asia Pacific Index Fund	58.70	USD	Equities	May-00	12.08%
A	JE00B5T1J560	Emirates Emerging Market Equity "A" ACC(4)	11.29	USD	Equities	Apr-12	11.73%
A	ALDIUSD:AB	OGM Oasis Crescent Global Property Equity "A" ACC	74.81	USD	Real Estate	Sep-06	10.79%
A	AE000A2QB2B9	SNB Capital Europe Index Fund	96.00	USD	Equities	Nov-94	10.45%
A	AE000A2QB2C7	Shuaa Global Equity Fund OEIC IC	#N/A	USD	Equities	Dec-22	9.43%
A	GB00B1436W59	Emirates World Opportunities "A" ACC(3)	35.92	USD	Equities	Apr-06	7.59%
A	AE000A3CSWS2	Shuaa North America Equity Fund OEIC IC	#N/A	USD	Equities	Dec-22	7.48%
A	GB00B1224310	Deutsche Noor Precious Metals Securities "LC" (USD)ACC	50.60	USD	Commodity Equities	Feb-07	7.14%
A	AEDFXA1W2ZD7	SNB Capital Emerging Markets Index (USD) ACC	79.55	USD	Equities	Oct-06	7.04%

<sup>(1)</sup> A = Aggressive, <sup>(1)</sup> B = Balanced, <sup>(1)</sup> C = Conservative

# Top Five Funds

November 2023

## Top 5 "A" Funds

Risk <sup>(1)</sup> Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Year to date
A	AE000A3CSWS2	Shuaa North America Equity Fund OEIC IC	25.70	USD	Equities	Dec-22	17.75%
A	IE00B3ZL9H82	Comgest Growth Europe S (USD) ACC	80.50	USD	Equities	Dec-10	17.66%
A	MU0316S00010	Tata Indian Sharia Equity "B" (USD)	29.28	USD	Equities	Oct-10	16.59%
A	LU1484867434	Emirates Islamic India Equity Fund	23.03	USD	Equities	Nov-16	16.29%
A	AHEURIN:AB	SNB Capital Europe Index Fund	96.00	USD	Equities	Nov-94	13.04%

## Top 5 "B" Funds

Risk <sup>(1)</sup> Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Year to date
B	GB00B1436W59	Emirates Islamic Global Balanced "A" ACC	41.29	USD	Multi Asset Class	Apr-06	5.11%
B	AE000A2QB2D5	Shuaa Nujoom Balanced "A" (USD) ACC	46.70	USD	Multi Asset Class	Nov-20	2.09%
B	GB00B1224310	Emirates Global Sukuk "A" ACC	144.28	USD	Sukuk	Apr-10	1.51%
B	AEDFXA1W2ZD7	Mashreq Al Islami Income Fund "D" (USD) ACC (6)	86.00	USD	Sukuk	Jun-09	1.10%

## Top 5 "C" Funds

Risk <sup>(1)</sup> Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Year to date
C	ALINTRA:AB	SNB Capital International Trade Fund	113.72	USD	Money Market	Mar-87	4.59%
C	JE00B5T1J560	Emirates Islamic Money Market "A" ACC	294.55	USD	Money Market	Apr-10	3.98%
C	ALDIUSD:AB	Diversified US Dollar Trade Fund	179.40	USD	Money Market	Oct-03	3.78%
#N/A	AE000A2QB2B9	Shuaa Global Sukuk Fund OEIC IC	126.40	USD	Sukuk	Sep-22	1.92%

<sup>(1)</sup> A = Aggressive, <sup>(1)</sup> B = Balanced, <sup>(1)</sup> C = Conservative



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