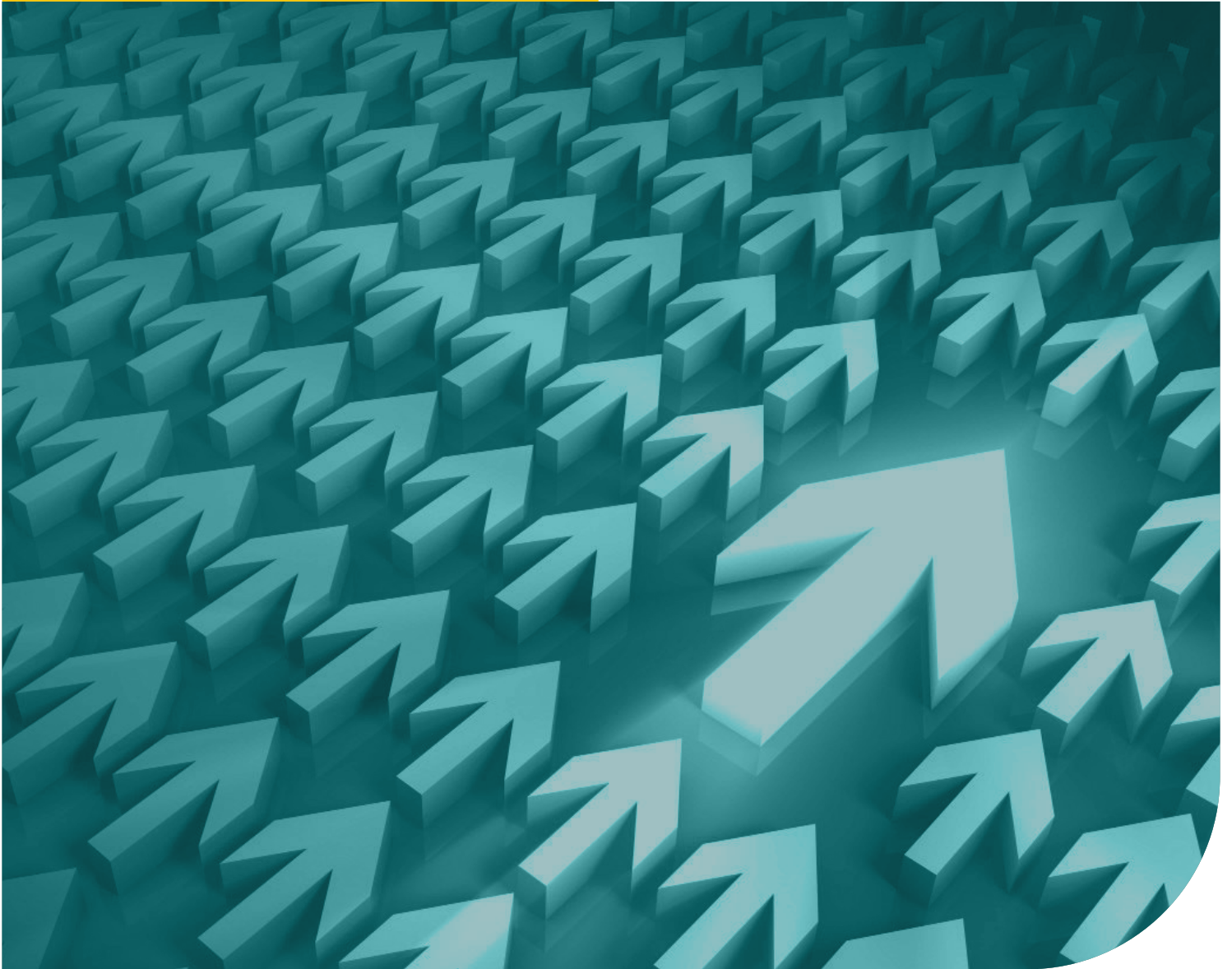




الشركة الإسلامية العربية للتأمين (ش.م.ع.)
ISLAMIC ARAB INSURANCE CO.(P.S.C.)

FEBRUARY 2024



INVESTMENT OVERVIEW (SALAMA STRATEGIES & FUNDS)



Strong foundation for a better future

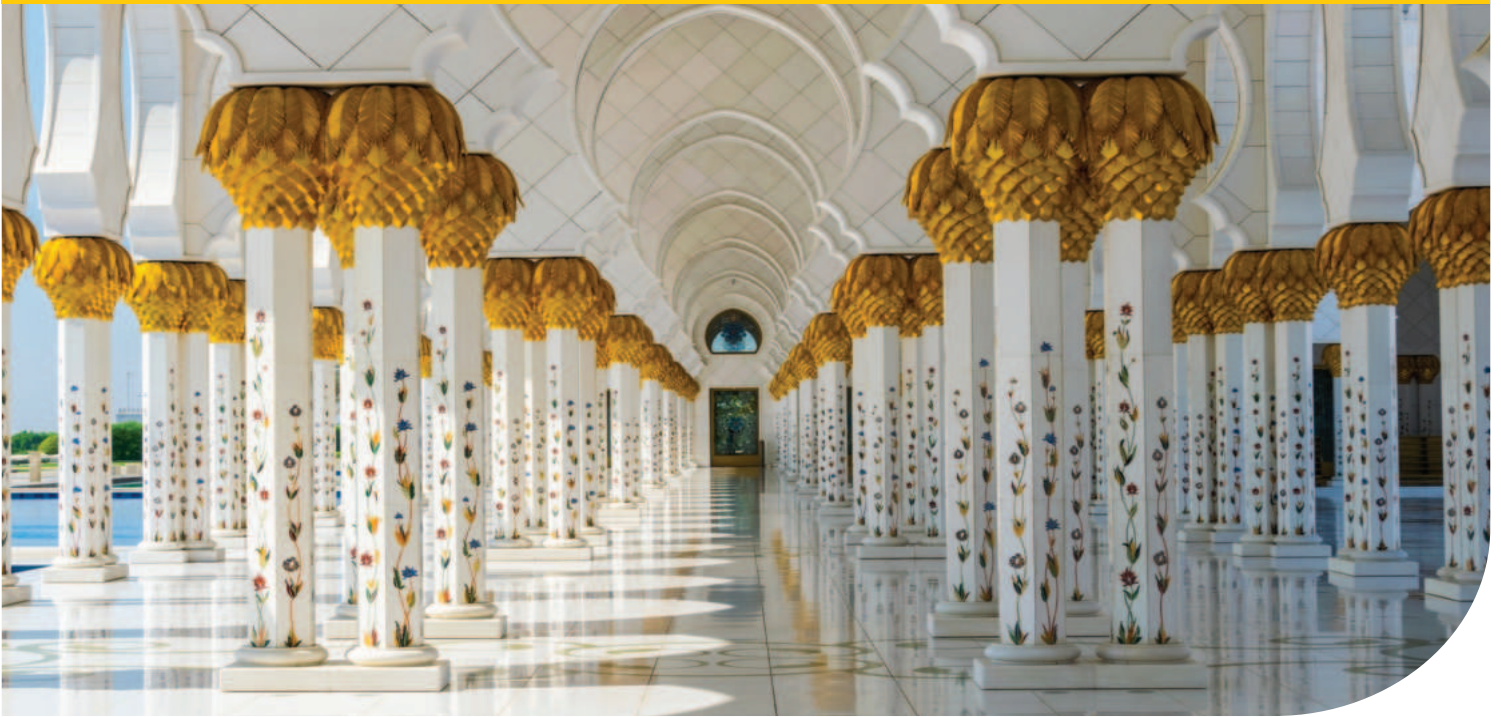
SALAMA Islamic Arab Insurance Company is one of the world's largest and longest-established Shari'ah compliant Takaful solutions providers listed on the Dubai Financial Market, with paid-up capital of AED 939 Million (USD 255 Million). SALAMA has been a pioneer in the Takaful industry from its incorporation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

Equity markets continued to rally for a fifth straight month with the US higher across the board with the S&P 500 adding 5.2%, Nasdaq 5.3% and the small cap Russel 2000 5.5%. Elsewhere China finally saw some positive sentiment rallying a mighty 9.3% albeit after years of underperformance. Europe edged up a more modest 1.8% and Japan continued its recent strong performance, rising another 4.9%. This broadening of the rally away from just the large cap tech stocks that powered the market last year is regarded as a bullish sign that maybe there could be further gains in the future.

Choppy rate markets continued in February as cautious central banks and sticky inflation dynamic, lowered investor conviction around the timing and scale of the DM central bank easing as they wait for clearer catalysts. As a result, bond market returns remain subdued year-to-date – except for floating rate, high yield and hybrid credit. Meanwhile, the prevalence of a “soft landing” outlook has encouraged huge supply of both sovereign and corporate bonds, which has been met with healthy demand.

Oil prices was up 2.4% in February, with Brent crude ending the month at 84\$/barrel. OPEC+ extends its output cuts into 2Q to avoid a big oversupply and support prices, with demand in the driver’s seat for the group’s 2H strategy. OPEC production fell almost half a million barrels a day in January -- less than the pledged amount -- as the group continues to face a soft demand outlook and resurgence of non-OPEC+ supply. We assess the fair value of Brent to be in the range of \$70-75, with anything beyond reflecting a war premium given the current economic conditions. Given the balanced market, the potential upside for the oil market for now, just hinges on geopolitical risk/ widening of war premium.

Funds Performance Sheet

February 2024

Risk ⁽¹⁾ Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in millions (All Share Class)	Fund Currency	Asset Class	Fund Inception Date	Month to Date	Fund Performance in Percentage %									Fund Management Charges
								Year to Date	6 Month	Year wise			Cumulative			Annualized since inception	
										2023	2022	2021	3 years	5 years	Since inception		
A	AE000A2QB2C7	Shuaa Nujoom Aggressive "A" (USD) ACC	21.30	USD	Multi Asset Class	Nov-20	-0.72%	-0.43%	0.83%	4.98%	-0.49%	7.95%	12.54%		12.54%	4.30%	Mgmt Fee: 1.75%, Perf Fee (HWM): 20%
B	AE000A2QB2D5	Shuaa Nujoom Balanced "A" (USD) ACC	42.00	USD	Multi Asset Class	Nov-20	-1.43%	-2.71%	-0.97%	4.56%	-9.86%	6.78%	-0.71%		-0.71%	0.22%	Mgmt Fee: 1.25%, Perf Fee (HWM): 20%
C	AE000A2QB2B9	Shuaa Global Sukuk Fund OEIC IC	129.40	USD	Sukuk	Sep-22	0.29%	0.07%	2.45%	3.88%					4.12%	3.01%	Mgmt Fee: 1.00%, Perf Fee (HWM): 20%
A	AE000A3CSWT0	Shuaa Global Equity Fund OEIC IC	78.00	USD	Equities	Dec-22	4.63%	6.24%	10.16%	16.91%					14.69%	15.74%	Mgmt Fee: 1.5%, Perf Fee (HWM): 15%
A	AE000A3CSWS2	Shuaa North America Equity Fund OEIC IC	28.50	USD	Equities	Dec-22	5.05%	8.32%	12.19%	21.09%					21.60%	21.70%	Mgmt Fee: 1.5%, Perf Fee (HWM): 15%
A	AE000A3EHBJ4/ AE000A3CSWU8	Shuaa Saudi Equity Fund OEIC IC	45.50	SAR/ USD	Equities	Jul-23	3.99%	2.90%	7.27%	4.74%					3.64%	13.69%	Mgmt Fee: 1.5%, Perf Fee (HWM): 15%

(Managed by Shuaa Capital)

A	ALHCTRE:AB	SNB Capital Global Health Care Fund	52.20	USD	Equities	Oct-00	3.66%	10.08%	9.73%	1.37%	-13.02%	16.99%	15.13%	46.99%	255.71%	5.57%	1.85%
A	AHEURIN:AB	SNB Capital Europe Index Fund	106.30	USD	Equities	Nov-94	1.57%	3.51%	7.42%	17.71%	-21.79%	16.77%	13.63%	57.61%	436.23%	5.91%	0.30%
A	AHASPCI:AB	SNB Capital Asia Pacific Index Fund	65.30	USD	Equities	May-00	1.32%	4.00%	10.25%	13.31%	-24.15%	-2.98%	-8.67%	27.02%	96.18%	2.87%	0.30%
A	AHEMINF:AB	SNB Capital Emerging Markets Index (USD) ACC	81.52	USD	Equities	Oct-06	5.69%	1.83%	2.07%	0.08%	-24.57%	-5.40%	-28.41%	8.81%	61.68%	2.80%	0.30%
C	ALDIUSD:AB	Diversified US Dollar Trade Fund	148.00	USD	Money Market	Oct-03	0.34%	0.85%	2.19%	4.04%	1.43%	0.58%	6.93%	10.68%	44.98%	1.83%	0.75%
C	ALINTRA:AB	SNB Capital International Trade Fund	153.30	USD	Money Market	Mar-87	0.41%	1.02%	2.63%	4.91%	1.50%	0.38%	7.93%	11.63%	194.14%	2.96%	0.45%

(Managed by SNB Capital)

Funds Performance Sheet

February 2024

Risk ⁽¹⁾ Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in millions (All Share Class)	Fund Currency	Asset Class	Fund Inception Date	Month to Date	Fund Performance in Percentage %									Fund Management Charges
								Year to Date	6 Month	Year wise			Cummulative			Annualized since inception	
										2023	2022	2021	3 years	5 years	Since inception		
A	IE00BMF77083	Deutsche Noor Precious Metals Securities "LC" (USD)ACC	45.10	USD	Commodity Equities	Feb-07	-8.64%	-16.75%	-13.93%	-1.61%	-10.14%	-13.28%	-29.02%	-1.53%	-49.22%	-3.90%	1.50%
(Managed by Deutsche Asset Mangment)																	
A	GB00BLD0R249	OGM Oasis Crescent Global Property Equity "A" ACC	79.70	USD	Real Estate	Sep-06	0.07%	-3.50%	7.03%	18.73%	-29.84%	32.60%	4.50%	-0.20%	29.20%	1.48%	2.00%
(Managed by OASIS Global Management)⁽²⁾																	
A	GB00B1436X66	Emirates World Opportunities "A" ACC(3)	39.82	USD	Equities	Apr-06	2.08%	4.70%	7.08%	13.55%	-22.74%	23.39%	11.04%	18.60%	63.57%	2.79%	Mgmt Fee:1.5%, Perf Fee:20%
A	JE00B244B530	Emirates Emerging Market Equity "A" ACC(4)	12.09	USD	Equities	Apr-12	4.70%	-0.22%	6.30%	12.09%	-25.06%	-0.41%	-21.36%	1.46%	-18.28%	-1.68%	1.50%
A	LU1484867434	Emirates Islamic India Equity Fund	23.80	USD	Equities	Nov-16	1.87%	-0.90%	6.91%	22.57%	-31.31%	30.00%	6.51%	53.48%	60.53%	6.69%	1.75%
B	GB00B1224310	Emirates Global Sukuk "A" ACC	147.44	USD	Sukuk	Apr-10	0.17%	-0.85%	2.33%	4.80%	-7.69%	-0.99%	-5.42%	7.25%	48.13%	2.87%	1.25%
B	GB00B1436W59	Emirates Islamic Global Balanced "A" ACC	43.36	USD	Multi Asset Class	Apr-06	1.34%	1.56%	5.55%	8.71%	-15.61%	9.97%	-0.61%	18.29%	43.71%	2.04%	1.60%
C	JE00B5T1J560	Emirates Islamic Money Market "A" ACC	322.90	USD	Money Market	Apr-10	0.38%	0.81%	2.37%	4.37%	1.14%	0.33%	6.69%	9.95%	19.48%	1.29%	0.50%
(Managed by Emirates NBD Asset Management)																	
A	IE00B3ZL9H82	Comgest Growth Europe S (USD) ACC	88.90	USD	Equities	Dec-10	4.38%	5.56%	13.08%	24.15%	-26.14%	23.25%	21.70%	73.61%	222.32%	9.25%	2.00%
(Managed by Comgest Asset Management International)																	
B	AEDFXA1W2ZD7	Mashreq Al Islami Income Fund "D" (USD) ACC ⁽⁶⁾	85.00	USD	Sukuk	Jun-09	0.05%	-0.86%	2.30%	4.53%	-10.52%	-2.37%	-9.50%	0.00%	16.10%	1.02%	1.50%
(Managed by Mashreq Asset Management)																	
A	MU0316S00010	Tata Indian Sharia Equity "B" (USD)	32.00	USD	Equities	Oct-10	1.83%	4.14%	12.07%	23.44%	-16.00%	38.97%	44.22%	96.27%	130.75%	6.43%	2.00%
(Managed by Tata Asset Management (Mauritius) Private Ltd)																	
A	IE00B56MXK54	Islamic Asean Equity USD A ACC	7.18	USD	Equities	Apr-12	0.11%	-3.73%	-7.85%	-6.66%	-6.42%	-1.47%	-16.53%	-15.91%	-9.60%	-0.85%	1.50%
(Managed by CIMB - Principal Islamic Asset Management (Ireland) (PLC))																	

⁽¹⁾ A = Aggressive, ⁽¹⁾ B = Balanced, ⁽¹⁾ C = Conservative

⁽²⁾ 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

⁽³⁾ 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

⁽⁴⁾ 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

⁽⁶⁾ 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

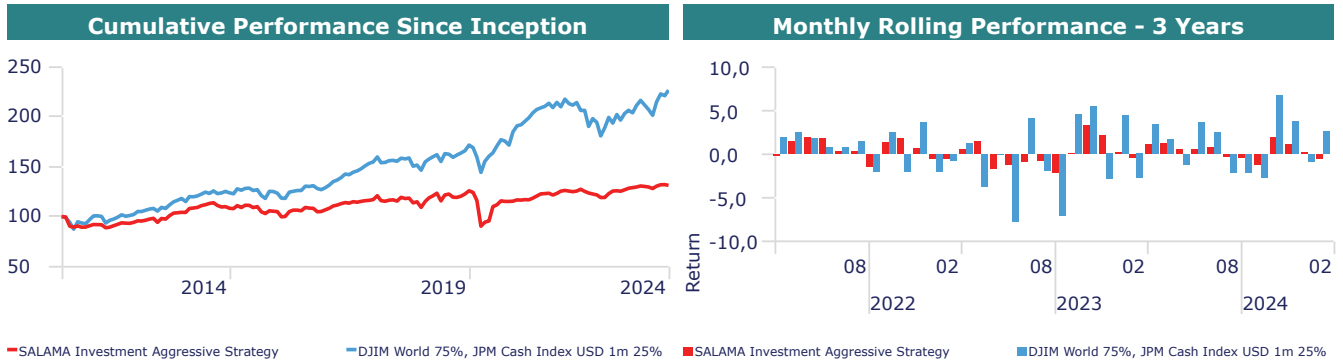
SALAMA Investment Aggressive

Shariah Compliant

As of 29/02/2024

NAV: 131,18

- 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 see a higher potential return on their investments.
- The strategy builds a portfolio that bears 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 Sustainable Index 25%, Islamic Money Market 5%



Risk

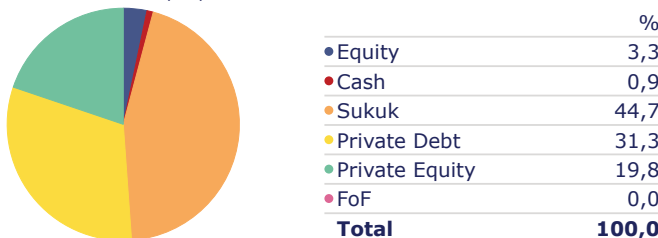
	Std Dev	Sharpe
SALAMA Investment Aggressive Strategy	4,15	0,39
DJIM World 75%, JPM Cash Index USD 1m 25%	11,48	0,24

Monthly Returns - Salama Investment Aggressive Strategy

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	0,13	-0,56	1,11	1,22	0,52	0,48	0,78	-0,34	-0,45	-1,18	1,88	1,04	-0,43
2023	0,22	-0,36	0,50	1,46	-1,70	-1,25	-0,84	-0,72	-2,15	0,02	3,25	2,10	-0,49
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: 29/02/2024

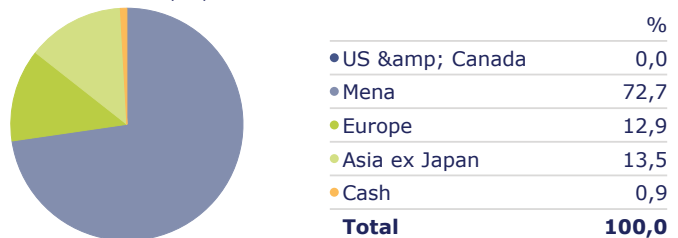


Monthly Commentary

Markets are currently riding a wave of optimism that the growth outlook is improving, as seen through some continued strong economic data, but that inflation is drifting lower and central banks are set to begin to cut rates later in the year. The hyper growth seen in the AI sector is also fuelling the optimism. Record highs across many markets globally show how the breadth of the rally has also improved. However, multiples have risen so markets are no longer as attractively valued as a few months ago. The risk of a correction on either higher yields in response to higher inflation, or lower growth expectations due to poor economic data has increased. We continue to focus on high quality growth names largely found in technology stocks, and also on high quality defensive names in consumer staples and healthcare that are now undervalued relative to the market on a historic basis and would do well in a market correction.

Strategy Breakdown

Portfolio Date: 29/02/2024



SALAMA Investment Balanced

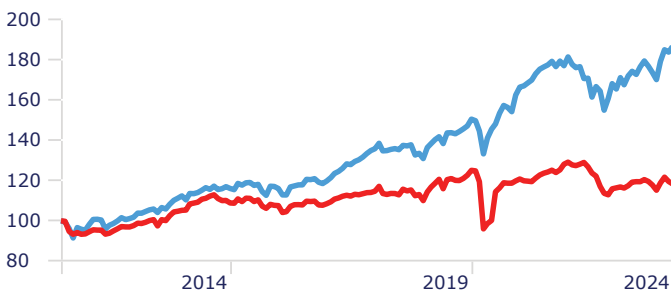
Shariah Compliant

As of 29/02/2024

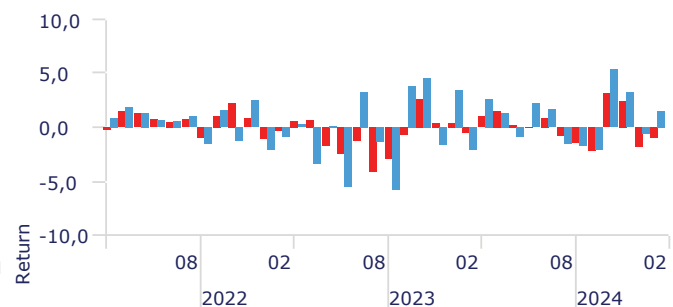
NAV: 118,32

- 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 Sustainability Index 50%, Islamic Money Market 5%

Cumulative Performance Since Inception



Monthly Rolling Performance - 3 Years



■ SALAMA Investment Balanced Strategy ■ DJIM World 50%, JPM Cash Index USD 1m 50% ■ SALAMA Investment Balanced Strategy ■ DJIM World 50%, JPM Cash Index USD 1m 50%

Risk

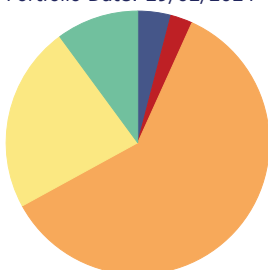
	Std Dev	Sharpe
SALAMA Investment Balanced Strategy	5,52	-0,46
DJIM World 50%, JPM Cash Index USD 1m 50%	8,84	0,11

Monthly Returns - Salama Investment Balanced Strategy

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	-1,76	-0,97											-2,71
2023	0,39	-0,47	1,00	1,51	0,19	-0,03	0,88	-0,78	-1,46	-2,19	3,12	2,42	4,56
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	-9,86
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	6,91
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	-3,44
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	13,64
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	-4,06
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	5,70
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	0,88
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	-1,22
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	3,46
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	7,74
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	4,40
2011	—	—	—	—	—	—	-0,23	-5,02	-1,47	0,93	-0,93	0,20	—

Asset Type Breakdown

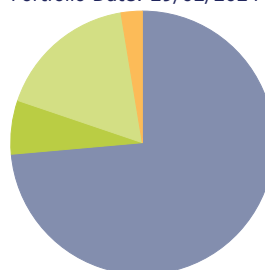
Portfolio Date: 29/02/2024



	%
• Equity	4,1
• Cash	2,7
• Sukuk	60,3
• Private Debt	22,9
• Private Equity	10,1
• FoF	0,0
Total	100,0

Strategy Breakdown

Portfolio Date: 29/02/2024



	%
• US & Canada	0,0
• Mena	73,6
• Europe	6,6
• Asia ex China	17,2
• Cash	2,6
Total	100,0

Monthly Commentary

We note that the prospect of rate cuts in March has been fully factored out, and there exists a negligible disparity between the dot plot and the market's outlook for 2024 in terms of rate cuts. Accordingly, our assessment indicates a short-term ceiling between 4.4% to 4.5% for 10yr, and any substantial deviations from these levels would likely be influenced by more hawkish Fed communication or stronger than expected inflation data print. However, we expect yields to decline in the latter half of 2024 as we expect growth dynamics to slow prompting the fed to cut more aggressively, leading to a bull steepening of the yield curve by the year's end.

SALAMA Investment Conservative

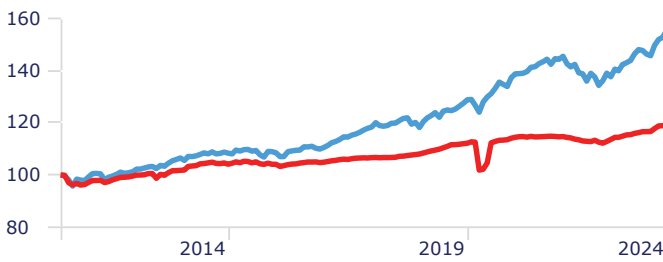
Shariah Compliant

As of 29/02/2024

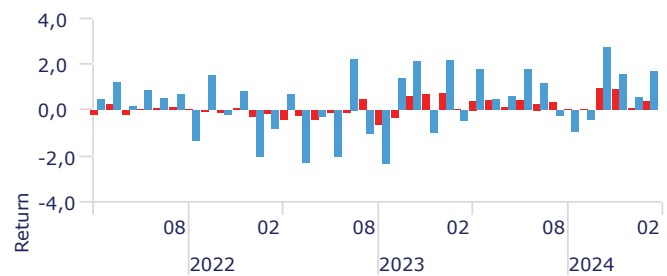
NAV: 119,26

- 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%.

Cumulative Performance Since Inception



Monthly Rolling Performance - 3 Years



■ SALAMA Investment Conservative Strategy ■ DJIM World 25%, JPM Cash Index USD 1m 75% ■ SALAMA Investment Conservative Strategy ■ DJIM World 25%, JPM Cash Index USD 1m 75%

Risk

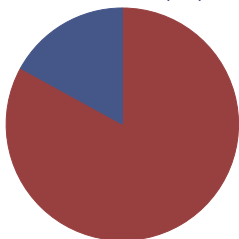
	Std Dev	Sharpe
SALAMA Investment Conservative Strategy	1,27	-1,32
DJIM World 25%, JPM Cash Index USD 1m 75%	4,60	0,15

Monthly Returns - Salama Investment Conservative Strategy

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2024	0,08	0,36											0,44
2023	0,71	0,01	0,39	0,41	0,10	0,40	0,26	0,31	0,01	0,03	0,95	0,88	4,55
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	—

Asset Type Breakdown

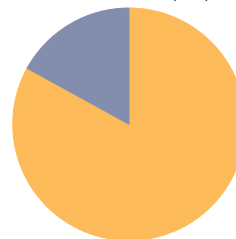
Portfolio Date: 29/02/2024



	%
• Cash	83,0
• Sukuk	17,0
Total	100,0

Strategy Breakdown

Portfolio Date: 29/02/2024



	%
• Cash	83,0
• Sukuk	17,0
Total	100,0

Monthly Commentary

Fixed income markets were broadly down, with the Bloomberg Global Aggregate index losing 1.3% over February while Global Sukuk Index was down 0.6%. Regionally, Saudi (-0.5), Qatar (-0.3%), and the UAE (-0.2%) underperformed. In terms of spreads, U.S. investment-grade corporate spreads held steady, finishing February below the 100-basis points mark, whereas U.S. high-yield bonds experienced a 32 basis points tightening, reaching 310 basis points, signalling strong incoming economic data. Similarly, GCC credit spreads also witnessed a slight tightening in January. Accordingly, less rate sensitive high yield indices outperformed investment grade (IG) bonds. The Bloomberg Global Aggregate Corporate index – measuring the performance of developed market IG bonds – is now down 2.6% year to date. In contrast, US high yield has gained 0.6% over the first two months of 2024

SALAMA SECURE STRATEGY

Fund Market Commentary

The portfolio was 0.36 MoM in February (versus 0.58 MoM Dow Jones Sukuk Index) translating to a 0.1% YTD returns (vs. 1.2% YTD Dow Jones Sukuk Index).

Choppy rate markets continued in February as cautious central banks and slightly inflationary dynamics lowered investor conviction about the timing and scale of the EM central bank easing as they wait for clearer signals. As a result, bond market returns remain subdued year to date – except for floating rate high yield and liquid credit. Meanwhile, the prevalence of a “sell, launch” but hold bias encourages huge supply of both sovereign and corporate bonds, which has been met with healthy demand.

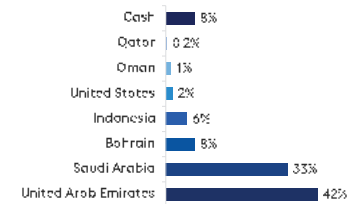
Fixed income markets were broadly down, with the Bloomberg Global Aggregate Index losing 1.0% over February while Global Sukuk Index was down 0.6%. Regionally, Saudi (0.5%), Qatar (0.2%), and the UAE (0.2%) underperformed. In terms of sectors, US investment grade corporate spreads tightened, finishing February below the 100 basis points mark, whereas US high yield bonds tightened 32 basis points (narrowing, reaching 319 basis points), signaling strong incoming economic data. Similarly, CDO credit spreads also widened a slight (narrowing in February). Accordingly, less sensitive like high yield indices outperformed investment grade (IG) bonds. The Bloomberg Global Aggregate Corporate Index – measuring the performance of developed market IG bonds – is now down 2.6% year to date. In contrast, US high yield has gained 0.6% over the first two months of 2024.

We note that the prospect of rate cuts in March has been fully factored in and there exists negligible disparity between the implied and the market rate for 2024. In terms of rate cuts, according to our assessment indicates a short-term ending of 47.5% and any substantial deviations from these levels would likely be influenced by more hawkish Fed communication or stronger than expected inflation data points. However, we expect yields to decline in the latter half of 2024 as we expect growth dynamics to slow prompting the Fed to cut more aggressively, leading to a bull steepening of the yield curve by the year's end.

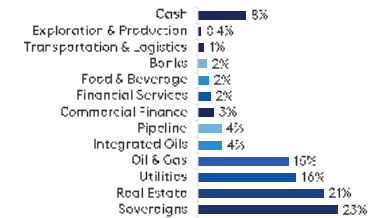
In the realm of investment grade credit, we hold an overweight position, placing significant importance on issuer and security selection. Sectors have contracted since the beginning of the year, and certain sectors are approaching the tightest levels in nearly a decade. We're more selectively positioned within high yield as spreads are expensive, and we remain skeptical about the sustainability of “risk on” rallies.



Portfolio Country Weights

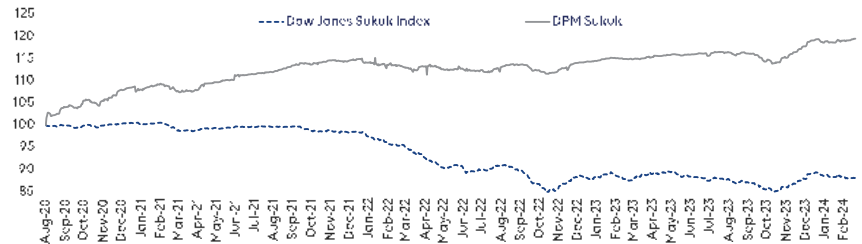


Sector Allocation



Net Asset Value (Per unit)	119.5	YTM	7.2%
Investment Denomination	USD/AED	Average yearly Coupon	6.5%
Asset Class	Sukuk	Duration (Years)	4.1
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	0.1%	0.3%	2.7%	2.7%	3.1%	19.2%
Benchmark	1.3%	0.5%	0.9%	0.8%	0.9%	11.9%
Relative Performance	1.4%	0.9%	1.2%	1.9%	3.5%	31.7%

Return Statistics

	Sharp Ratio	Tracking error	Volatility	Annualised return
Portfolio	1.5	5.6%	19.2%	5.1%

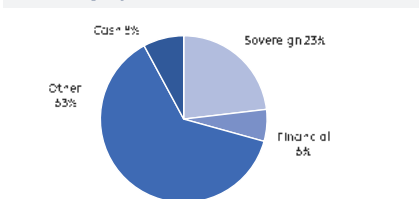
Return Statistics (Annualised %)

12 mn	7.0%
18 mn	3.5%
24 mn	2.4%
36 mn	3.4%
CAGR	5.1%

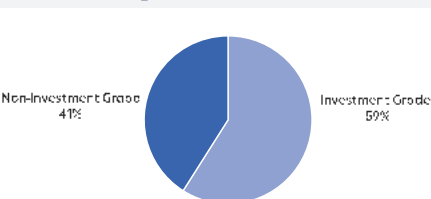
Top Five Holdings (Excluding cash)

Murobaha Mezz Shine SPV 1	16.2%
Saudi Electricity Global 5.06% 04/01	8.1%
TFGSUK 10.50 08/07/24 C	6.3%
INDO \$ 4.7 06/06/32 Corp	6.0%
KSA 4.511 05/22/33 Govt	5.7%

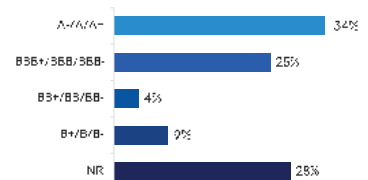
Economically important sectors



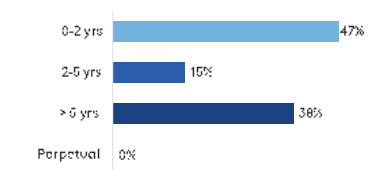
Sukuk Credit Rating



Credit Rating



Duration



YTD Performance - 2024

Risk ⁽¹⁾ Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Year to date
A	ALHCTRE:AB	SNB Capital Global Health Care Fund	52.20	USD	Equities	Oct-00	10.08%
A	AE000A3CSWS2	Shuaa North America Equity Fund OEIC IC	28.50	USD	Equities	Dec-22	8.32%
A	AE000A3CSWT0	Shuaa Global Equity Fund OEIC IC	78.00	USD	Equities	Dec-22	6.24%
A	IE00B3ZL9H82	Comgest Growth Europe S (USD) ACC	88.90	USD	Equities	Dec-10	5.56%
A	GB00B1436X66	Emirates World Opportunities "A" ACC ⁽³⁾	39.82	USD	Equities	Apr-06	4.70%
A	MU0316S00010	Tata Indian Sharia Equity "B" (USD)	32.00	USD	Equities	Oct-10	4.14%
A	AHASPCI:AB	SNB Capital Asia Pacific Index Fund	65.30	USD	Equities	May-00	4.00%
A	AHEURIN:AB	SNB Capital Europe Index Fund	106.30	USD	Equities	Nov-94	3.51%
A	AE000A3EHB4/AE-000A3CSWU8	Shuaa Saudi Equity Fund OEIC IC	45.50	USD	Equities	Jul-23	2.90%
A	AHEMINF:AB	SNB Capital Emerging Markets Index (USD) ACC	81.52	USD	Equities	Oct-06	1.83%

MTD Performance for February 2024

Risk ⁽¹⁾ Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Month to date
A	AHEMINF:AB	SNB Capital Emerging Markets Index (USD) ACC	81.52	USD	Equities	Oct-06	5.69%
A	AE000A3CSWS2	Shuaa North America Equity Fund OEIC IC	#N/A	USD	Equities	Dec-22	5.05%
A	JE00B244B530	Emirates Emerging Market Equity "A" ACC ⁽⁴⁾	12.09	USD	Equities	Apr-12	4.70%
A	AE000A3CSWT0	Shuaa Global Equity Fund OEIC IC	#N/A	USD	Equities	Dec-22	4.63%
A	IE00B3ZL9H82	Comgest Growth Europe S (USD) ACC	88.90	USD	Equities	Dec-10	4.38%
A	AE000A3EHB4/AE-000A3CSWU8	Shuaa Saudi Equity Fund OEIC IC	#N/A	SAR/USD	Equities	Jul-23	3.99%
A	ALHCTRE:AB	SNB Capital Global Health Care Fund	52.20	USD	Equities	Oct-00	3.66%
A	GB00B1436X66	Emirates World Opportunities "A" ACC ⁽³⁾	39.82	USD	Equities	Apr-06	2.08%
A	LU1484867434	Emirates Islamic India Equity Fund	23.80	USD	Equities	Nov-16	1.87%
A	MU0316S00010	Tata Indian Sharia Equity "B" (USD)	32.00	USD	Equities	Oct-10	1.83%

⁽¹⁾ A = Aggressive, ⁽¹⁾ B = Balanced, ⁽¹⁾ C = Conservative

Top Five Funds

February 2024

Top 5 "A" Funds

Risk ⁽¹⁾ Profile	ISIN Code / Bloomberg Ticker	Fund Name	Fund size in million (All Share Class)	Fund Currency	Asset Class	Fund Inception	Year to date
A	ALHCTRE:AB	SNB Capital Global Health Care Fund	52.20	USD	Equities	Oct-00	10.08%
A	AE000A3CSWS2	Shuaa North America Equity Fund OEIC IC	28.50	USD	Equities	Dec-22	8.32%
A	AE000A3CSWT0	Shuaa Global Equity Fund OEIC IC	78.00	USD	Equities	Dec-22	6.24%
A	IE00B3ZL9H82	Comgest Growth Europe S (USD) ACC	88.90	USD	Equities	Dec-10	5.56%
A	GB00B1436X66	Emirates World Opportunities "A" ACC ⁽³⁾	39.82	USD	Equities	Apr-06	4.70%

Top 5 "B" Funds

Risk ⁽¹⁾ 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	43.36	USD	Multi Asset Class	Apr-06	1.56%
B	GB00B1224310	Emirates Global Sukuk "A" ACC	147.44	USD	Sukuk	Apr-10	-0.85%
B	AEDFXA1W2ZD7	Mashreq Al Islami Income Fund "D" (USD) ACC ⁽⁶⁾	85.00	USD	Sukuk	Jun-09	-0.86%
B	AE000A2QB2D5	Shuaa Nujoom Balanced "A" (USD) ACC	42.00	USD	Multi Asset Class	Nov-20	-2.71%

Top 5 "C" Funds

Risk ⁽¹⁾ 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	153.30	USD	Money Market	Mar-87	1.02%
C	ALDIUSD:AB	Diversified US Dollar Trade Fund	148.00	USD	Money Market	Oct-03	0.85%
C	JE00B5T1J560	Emirates Islamic Money Market "A" ACC	322.90	USD	Money Market	Apr-10	0.81%
#N/A	AE000A2QB2B9	Shuaa Global Sukuk Fund OEIC IC	129.40	USD	Sukuk	Sep-22	0.07%

⁽¹⁾ A = Aggressive, ⁽¹⁾ B = Balanced, ⁽¹⁾ C = Conservative



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