

Addendum A - Funds Performance Sheet

Fund Market Commentary

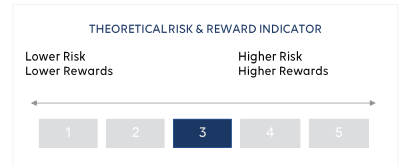
The portfolio was 0.3% MoM in February (versus -0.6% MoM Dow Jones Sukuk Index) translating to a 0.1% YTD returns (vs -1.3% YTD Dow Jones Sukuk Index).

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.

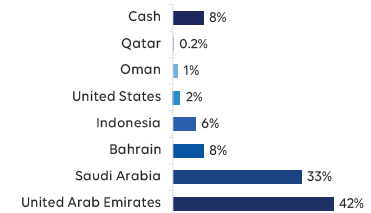
Fixed income markets were broadly down, with the Bloomberg Global Aggregate index losing 1.3% over February while Global Sukuk Index was down 0.6%. Regionally, Saudi (-0.5%), Qatar (-0.3%), and the UAE (-0.2%) underperformed. In terms of spreads, U.S. investment-grade corporate spreads held steady, finishing February below the 100-basis points mark, whereas U.S. high-yield bonds experienced a 32 basis points tightening, reaching 310 basis points, signaling strong incoming economic data. Similarly, GCC credit spreads also witnessed a slight tightening in February. 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.

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 of 4.4%, 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.

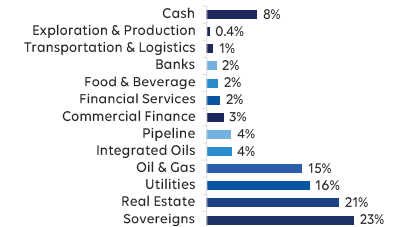
In the realm of investment-grade credit, we uphold an overweight position, placing significant importance on issuer and security selection. Spreads have contracted since the beginning of the year, and certain sectors are approaching the tightest levels in nearly a decade. We're more defensively positioned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



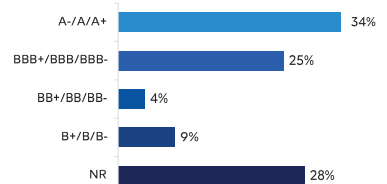
Portfolio Country Weights



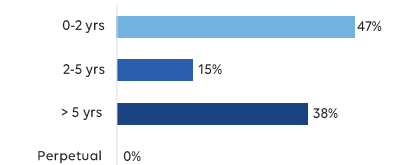
Sector Allocation



Credit Rating



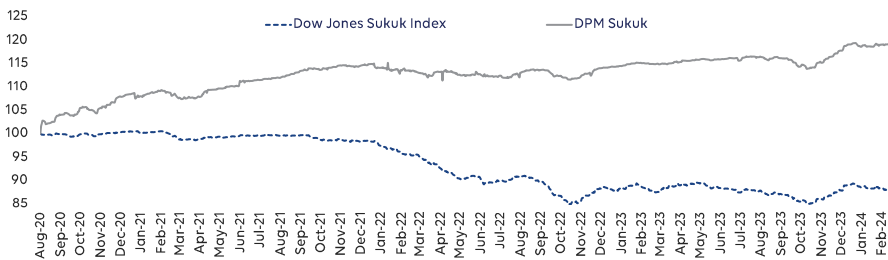
Duration



(Past performance as illustrated herein is not a guarantee of future returns)

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%	2.1%	2.7%	3.1%	19.5%
Benchmark	-1.3%	-0.6%	0.9%	0.8%	-0.6%	-11.9%
Relative Performance	1.4%	0.9%	1.2%	1.9%	3.8%	31.4%

Return Statistics

	Sharp Ratio	Tracking error	Volatility	Annualised return
Portfolio	1.8	8.6%	19.5%	5.1%

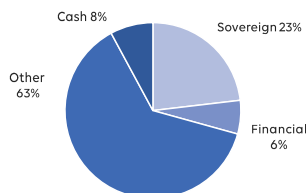
Return Statistics (Annualised %)

Term	Return
12 mn	4.0%
18 mn	3.5%
24 mn	2.6%
36 mn	3.4%
CAGR	5.1%

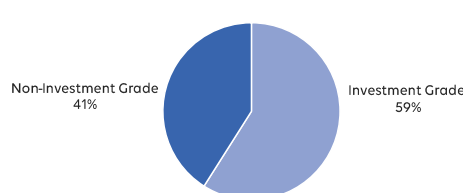
Top Five Holdings (Excluding cash)

Holder	Weight
Murabaha Mezz Shine SPV 1	16.2%
Saudi Electricity Global 5.06% 04/01	6.4%
TFGSUK 10.50 08/07/24 C	6.3%
INDOIS 4.7 06/06/32 Corp	6.0%
KSA 4.511 05/22/33 Govt	5.7%

Economically Important sectors



Sukuk Credit Rating



I have read and understood the above details.

وأؤكد أنني قد قرأت وفهمت التفاصيل الموضحة

Signature Covered Member توقيع العضو المغطى
Date التاريخ

Signature Plan Holder توقيع حامل الخطة
Date التاريخ