

Investment objective

Global Sukuk Fund is invested in global sukuk, Murabaha and Ijarah instruments. Our strategy is to maximize return on investment by minimizing risk and managing interest rates.

Fund Manager Commentary

Our SHUAA Global Sukuk fund was up 1.2% in July 2024, (versus Dow Jones Sukuk TR Index of 1.3%) resulting in YTD performance of 2.3% (versus the benchmark of 1.9%).

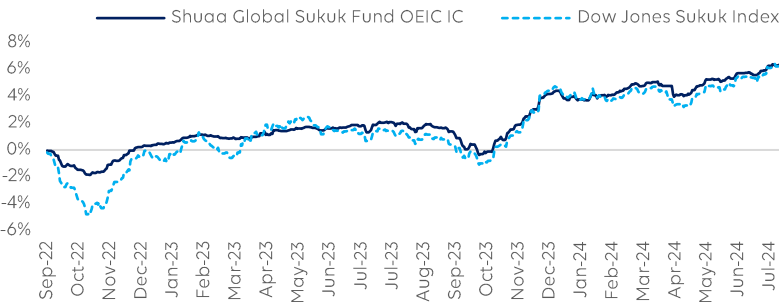
June's soft CPI print and a weakening labor market have heightened investor expectations for Fed rate cuts in 2024 and 2025. This optimism boosted US Treasuries, which gained 2.2% over the month, driving year-to-date performance to 1.31%. The rally at the front end of the curve also caused the yield curve to steepen, with two-year yields declining by almost 50 bps on the month alongside 10-year yields dropping by 37bps, and with the spread between the 10-year and 2-year US Treasury yield reducing to -21 basis points, its narrowest level since January 2024. Yields were sharply lower across the curve at month end, driven in large part by a moderating inflationary back-drop spurring deeper pricing for Fed easing. Expectations for easier policy were amplified following a relatively neutral press conference at the July FOMC meeting, as near-term rate cuts weren't taken off the table by Chair Jerome Powell.

In June, the Bloomberg US Corporate Bond Index advanced by 2.4% in July, driving year-to-date performance to 1.89%. Option-adjusted-spread (OAS) on the index tightened sharply to start the month, before steadily widening to 93.5 bps, in line with where it began. The Bloomberg High Yield US Corporate Bond Index underperformed its investment-grade counterpart in July, given marginal spread widening and lower index duration. The index rose 1.95% in July, pushing year-to-date total return to 4.58%. Regionally, Qatar(+1.4%), followed by UAE (+1.2%), and Saudi (+1.2%) outperformed during this period. On issuance, we expect the near-term issuance of 10 years treasuries to remain elevated more so in August. Historically data from Bloomberg shows that August is a month of elevated issuance averaging USD43.4bn over the past 10 years. We expect this trend to continue as issuers try to avoid election-season uncertainties.

Given the current uncertainties, the 10-year Treasury yield has already dropped below 3.8% as of early August, and we believe further gains from this point are unlikely unless we see further dents in labor market. Additionally, the Federal Reserve will closely monitor inflation trends, and we do not anticipate a rapid deceleration in inflation that would justify a 50bps rate cut in September. We still forecast three quarter point rate cuts between September and January 2025, although it's possible that all three could occur in 2024 if the labor market weakens further.

In the meantime, it is prudent to focus on safe investments, and stick to investment-grade space.

Relative Performance



*Performance Fees of 20% charged since inception until June 2024

Return Statistics

	MTD	3M	6M	YoY	YTD	Inception
SHUAA Global Sukuk Fund OEIC IC	1.2%	2.6%	2.6%	4.7%	2.3%	6.8%
Dow Jones Sukuk TR Index	1.3%	3.2%	2.3%	5.2%	1.9%	6.7%

Fund Facts

Inception Date	Sep 2022
Domicile	Abu Dhabi Global Markets
Fund Currency	USD
Asset Class	Sukuk
Geography	Global
ISIN	AE0000A2QB2B9
Number of Holdings	52
Subscriptions/Fees	Daily / 0%
Redemptions/Fees	Daily / 0%
Leverage	0%
TER / Mgmt Fee	1.2% / 1.0%
Performance Fee	Zero
Fund Manager	Aarthi Chandrasekaran
Investment Manager	SHUAA GMC Limited

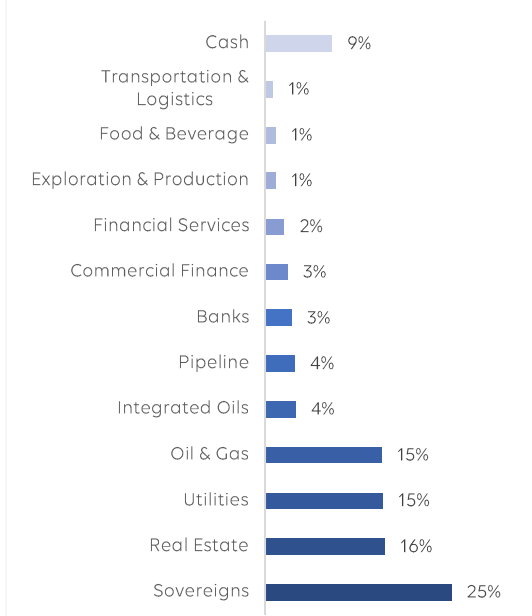
Portfolio Statistics

Fund AUM	\$129.5m
NAV per Share	106.8
Dividend per Share	0

Performance

Annualised return	3.6%
Sharpe ratio	-0.2
Tracking error	1.8%
2023 returns	4.0%

Sector Allocation



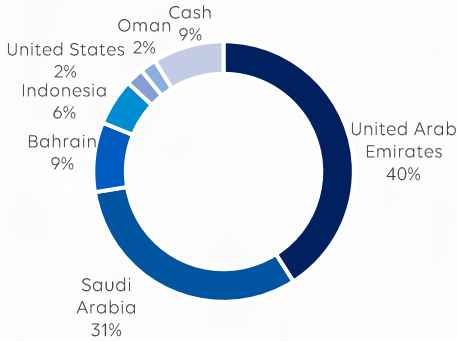
Fund Metrics (Sukuk)

Yield to Maturity	6.1%
Avg. Yearly Coupon (%)	5.9%
Avg. Credit Rating	BBB-
Avg. Maturity (Years)	7.4
Avg. Duration (Years)	5.3

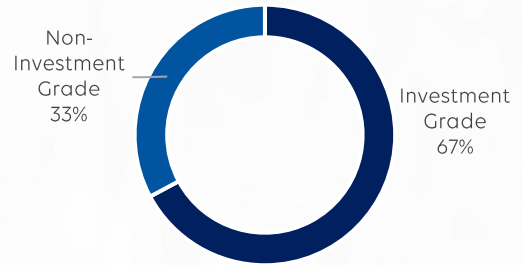
Top 5 Holdings (Excluding cash)

Murabaha Mezz Shine	16.8%
TFGSUK 10.50 08/07/24 C	6.5%
Saudi Electricity Global 5.06% 04/08/204	6.5%
INDOIS 4.7 06/06/32 Corp	6.0%
KSA 4.511 05/22/33 Govt	5.7%

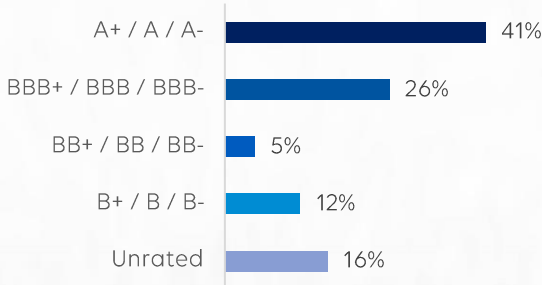
Country Allocation



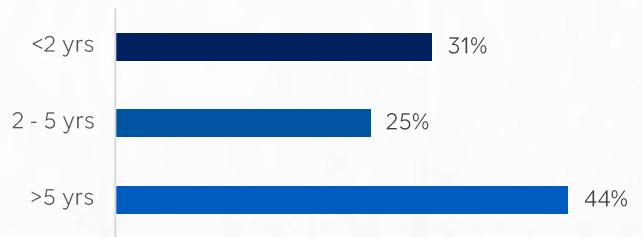
Sukuk Credit Rating



Sukuk Credit Rating Breakdown



Sukuk Duration



Asset Management Sales

Omar Danish
 +971 4 330 3600
 Amsales@shuaa.com

Address

SHUAA GMC Limited
 Al Khatem Tower, Floor 32
 ADGM Square, Al Maryah Island
 P.O. Box 764606, Abu Dhabi, UAE

Disclaimer: The opinions presented herein are based on general information at the time of writing and are subject to change without notice. SHUAA GMC Limited ("SHUAA"), SHUAA Capital psc ("SHUAA Capital"), and/or affiliate companies (together with SHUAA and SHUAA Capital, the "Group") does not and do not guarantee its accuracy or completeness. Shuaa GMC Limited is the "Investment Manager" (IM) which is a prudential category 3C licensed firm regulated by Abu Dhabi Global Market ("ADGM") Financial Services Regulatory Authority ("FSRA"). This information is intended only for qualified institutional investors that are professional clients or market counterparties, not an individual natural person. The content is provided within the UAE by SHUAA Capital. SHUAA Capital is regulated by the UAE Securities and Commodities Authority ("SCA"). Neither SCA nor any other regulatory authority have reviewed or approved this content. This sheet is provided for informational purposes only. It is not an offer to sell or issue, or any solicitation of any offer to purchase, subscribe for or otherwise acquire, any securities, and nothing contained herein shall form the basis of any contract or commitment. Any offering related to the subject matter of this communication will be made pursuant to separate documentation. This sheet July contain statements about future events and expectations that are forward-looking statements. Such statements typically contain words such as "expects" and "anticipates" and similar words. Any statement in this material that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks and none of the information should be taken as forecasts or promises nor as implying any indication, assurance or guarantee that the assumptions on which the content has been prepared are correct or exhaustive. Past performance is not necessarily indicative of future results. The information in this sheet are provided at the date of writing and are subject to change without notice. There is no obligation to update or modify this information if there are changes. No representation or warranty, express or implied, is made or given by or on behalf of SHUAA, the Group, or any of their shareholders, affiliates, directors, employees, agents or advisers or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation. Neither SHUAA nor the Group nor any of their respective shareholders, affiliates, directors, employees, agents or advisers or any other person accepts any liability (in negligence or otherwise) whatsoever for any arising from any use of this contents or otherwise arising in connection herewith. This presentation does not constitute a recommendation regarding the purchase of any financial instrument. The recipient is strongly advised to seek their own independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein.