

Investment objective

SHUAA Global Equity Fund is an actively managed fund focused on maximizing capital growth through a diversified portfolio of Sharia-compliant global equities. The fund targets high-quality, high-growth businesses that we believe are currently undervalued. The fund invests across most sectors and regions globally.

Fund Manager Commentary

A tumultuous month began with a heavy sell off in equities and remarkably ended with most markets higher. Early August saw a record spike in volatility and a collapse in equity markets, notably the Japanese market losing 20% in just 3 days. However, this volatility also subsided in record time which enabled equities to rally. Some weaker economic news in the US seemed to spark this volatility, particularly a weak jobs report suggesting higher rates had finally begun to bite and harm the US economy. A rise in interest rates in Japan led to an unwind of the carry trade involving the Yen which may have contributed to the weakness in markets. However, subsequent reassuring data and dovish commentary from the Fed enabled markets to focus on the prospect of lower interest rates and a soft economic landing.

The S&P 500 rose 2.3% whilst the Nasdaq lagged up 1.1%. The Russell 2000 was the worst performer, down 1.6% as the weakness in the US economy has been weighing on domestic company earnings. Elsewhere Europe rose 1.3%, Japan fell 3% and China rose 3.7% on hopes of a stimulus package to revive their ailing property market. General caution was evident in sector performance even as markets rose, with Consumer Staples gaining 5.8%, Healthcare up 5% and Utilities 4.3%. These are regarded as bond proxies that benefit when yields fall as they did this month on the prospect of interest rate cuts as economic growth slows. More cyclical sectors such as energy and consumer discretionary lost 2.3% and 1.1% respectively.

Through the Q2 reporting season the fund benefitted most from Nutanix, rising 25% as their desktop virtualization software continues to grow due to remote working and increasing amounts of data usage. Eli Lilly rose 20% on outstanding results as their diabetes and now weight loss drugs continue to find a large audience due to their health benefits. Samsung SDI, maker of EV batteries rose 14% as the prospect of tighter emission regulations in the EU should boost demand for their products. However, Wolfspeed who also make some of the materials that go into EV batteries fell 48% on delays in their ability to ramp up production to expected levels which whilst frustrating should be resolved in the future. Samsung Electronics fell 9% on concerns over general demand for consumer electronics. Much of the market focus had been on Nvidia numbers which turned out to be very strong, but with the valuation in the stock close to fair value it performed in line with the broader market rising 2%.

Overall markets are optimistic whilst looking to the Fed to cut interest rates and boost valuations, but are cautious that the economic damage from current high interest rates may be more severe than expected. The technology sector continues to generate far superior growth to other sectors and we would continue to favour many of these stocks despite premium valuations. We also like consumer staples and healthcare as more defensive high quality names that should do well in a slowing economic environment. Cyclical are likely to struggle as earnings decline as demand weakens.

Fund Facts

Inception Date	Dec 2022
Domicile	Abu Dhabi Global Markets
Fund Currency	USD
Asset Class	Equities
Geography	Global
Type	Islamic
ISIN	AE000A3CSWTO
Number of Holdings	39
Subscriptions/Fees	Daily / 0%
Redemptions/Fees	Daily / 0%
Leverage	0%
TER / Mgmt Fee	1.8% / 1.5%
Performance Fee	Zero
Fund Manager	Jacob Robbins
Co Fund Manager	Aarthi Chandrasekaran
Investment Manager	SHUAA GMC Limited

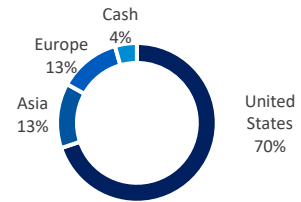
Portfolio Statistics

Fund AUM	\$77.3m
NAV per Share	126.1

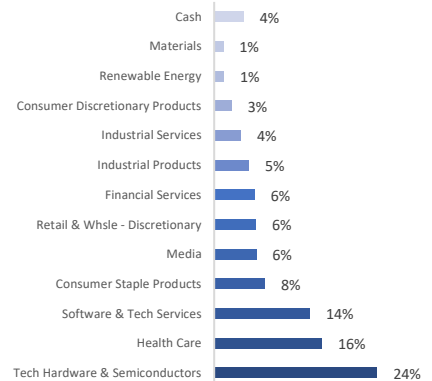
**Performance**

Annualised return	14.3%
Sharpe ratio	1.0
Tracking error	3.3%

Regional Allocation



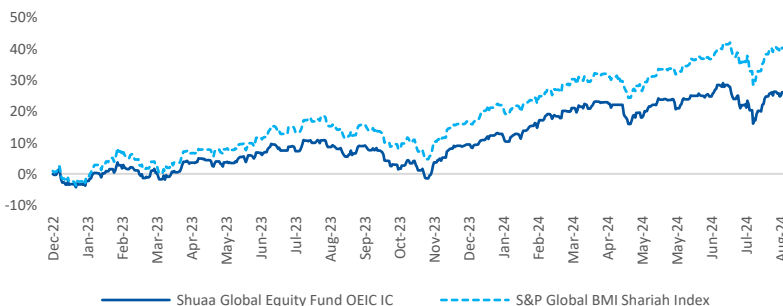
Sector Allocation



Return Statistics

	MTD	3M	6M	YoY	YTD	Inception
SHUAA Global Equity Fund	2.2%	4.3%	5.1%	15.8%	11.8%	26.1%
S&P Global BMI Shariah Index	1.8%	6.0%	8.8%	21.4%	15.0%	40.3%

Fund Returns Since Inception



\*Performance Fees of 15% charged since inception until June 2024

Top Five Holdings (Excluding cash)		Fund Metrics		Regional MTD Performance	
Apple Inc	8.0%	Dividend Yield	1.3%	China	3.7%
Microsoft Corp	7.7%	PB (12m Forward)	15.2x	United States	2.3%
Alphabet Inc - CL A	5.5%	PE (12m Forward)	23.4x	Emerging Markets	1.4%
Nvidia Corp.	4.8%	EV/EBITDA (12m Forward)	16.8x	Europe	1.3%
Amazon.com INC	4.6%	RoE	47.3%	United Kingdom	0.1%

Top Five Performers (August)	
Nutanix Inc	25.1%
ELI LILLY & CO	19.5%
SAMSUNG SDI CO	13.7%
HITACHI LTD	11.5%
Stryker Corp	10.1%

Bottom Five Performers (August)	
Wolfspeed Inc	-48.3%
SAMSUNG ELECTRON	-9.1%
VESTAS WIND SYST	-7.1%
KERING	-7.1%
PFIZER INC	-5.0%

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