

Investment objective

NUJOOM Balanced Fund is a Sharia compliant multi-asset fund with a composition of Sukuk, global equities, private debt, and private equities. The fund is designed to keep 10%-30% of the fund's allocation in sharia compliant private equities and private debt.

Fund Manager Commentary

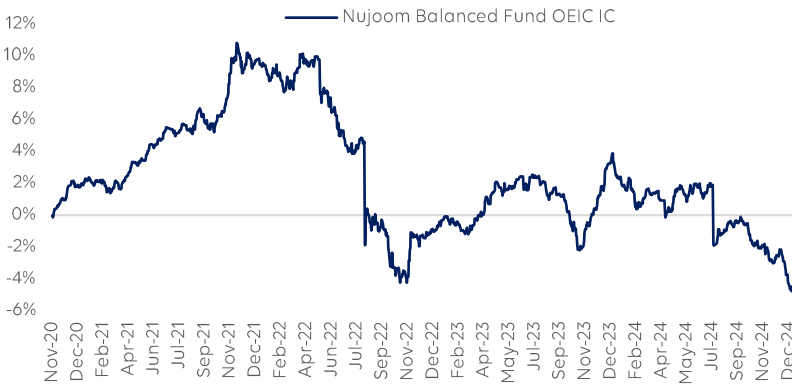
NUJOOM Balanced fund ended the month of December down -2.0% (versus -0.1% MoM Dow Jones Sukuk - SOFR 50-50 TR Index) with the NAV per Share at 94.5. As of December end, 50% of the portfolio was allocated to Sukuks, followed by 29% in Sharia compliant Private Debt, 9% in Private Equity, 7% in Equity and 5% balance in cash. Our Sukuk portfolio has an average coupon of 5.7% p.a. and a YTM of c.6.2%, with c.82% of this portfolio being investment grade. We have also deployed 29% of funds in Private Debt in a positive free cash flow Oil and Gas company in the UAE. This portfolio will pay an annual coupon of 10%, and a tenure of 4 years. We have deployed 9% in Private Equity in a Pharma company that provides cold storage logistics solutions with a historical revenue CAGR of >60% (with the expectation of 50% CAGR in revenue in the next five years). We have accounted for impairments in Byju's in Q3 and Q4, India's largest Edtech start-up, due to insufficient information about the company's financial health, a pessimistic future outlook, and substantial liabilities.

December saw most indices fall back after a Trump inspired November rally, but the large cap tech sector outperformed strongly on continued superior growth prospects. The S&P fell 2.5% but the tech heavy Nasdaq world's 0.4% as the Magnificent 7 stocks added more than 6% over the month. The small cap Russel 2000 lost 8.4% as the negative aspects of potential Trump policies such as tariffs came back into focus. Elsewhere Europe dropped 0.5%, Japan rose 3.9% fueled by a 5% drop in the Yen boosting exporter earnings, and Chinese stocks added 4.8% on increasing hope for sizeable stimulus into 2025. The way 2024 unfolded was largely driven by economic resilience. The strength of the U.S. economy played a pivotal role in shaping the dollar, guiding capital flows to the U.S., and providing the Federal Reserve with the confidence to avoid aggressive rate cuts. In short, the rate market, currency market, and even the equity market could continue their resumption higher if economic resilience in the US continues. The Federal Reserve (Fed) delivered another rate cut in December, bringing the target rate range to 4.25% - 4.50%.

DFM continued to be an outperformer in December with +6.2% m/m, followed by +2.2% in Qatar, while Bahrain saw some downward pressure of -2.4%. For FY24, the DFM was the best performing GCC market +33.4%, followed by Kuwait +10.6% and Bahrain +7.8% while Qatar +4.8%, Oman +4.2%, Saudi +1.9%, and ADX +0.3% underperformed the peers.

The market is expecting two rate cuts in 2025. We think inflation in the US is likely to stay stubborn, driven by both policies and expected fiscal spending. Credit has held up well in terms of carry and spreads. Unless there's a recession, default risk should stay low, and spreads can hold steady, making credit a solid choice for income and carry. We're sticking with a neutral duration in this interest rate environment. While we generally favor investment-grade and high-quality issuers, we also like shorter-maturity, high-yielding bonds with stronger cash flow visibility.

Fund Returns Since Inception



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

Return Statistics

	MTD	3M	6M	YoY	YTD	Inception
Nujoom Balanced Fund OEIC IC	-2.0%	-3.9%	-5.8%	-7.5%	-7.5%	-4.5%

Fund Facts

Inception Date	Nov 2020
Domicile	Abu Dhabi Global Markets
Fund Currency	USD
Asset Class	Multi Asset
Geography	Global
ISIN	AE000A2QB2D5
Number of Holdings	19
Subscriptions/Fees	Daily / 0%
Redemptions/Fees	Daily / 0%
Leverage	0%
TER / Mgmt Fee	1.7% / 1.0%
Performance Fee	Zero
Fund Manager	Aarathi Chandrasekaran
Co Fund Manager	Jacob Robbins
Investment Manager	SHUAA GMC Limited

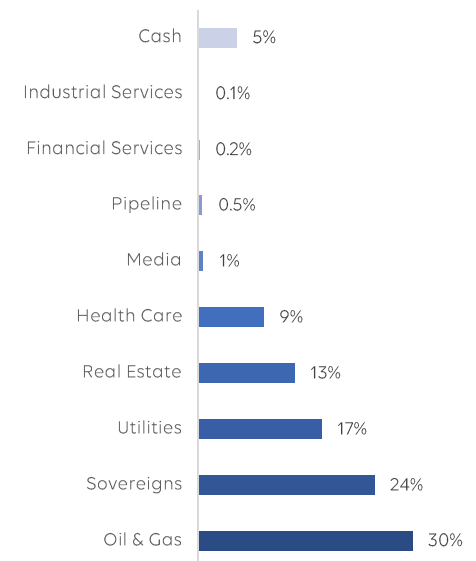
Portfolio Statistics

Fund AUM	\$29.3m
NAV per Share	94.5
DPS (2021)	1.00

Performance

Annualised return	-1.1%
Sharpe ratio	-1.3
Standard deviation	4.2%
2023 returns	4.3%

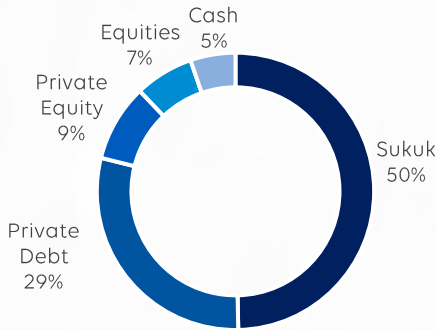
Sector Allocation



## Sukuk

Yield to Maturity	6.2%
Avg. Yearly Coupon (%)	5.7%
Avg. Credit Rating	BBB+
Avg. Maturity (Years)	12.7
Avg. Duration (Years)	8.5

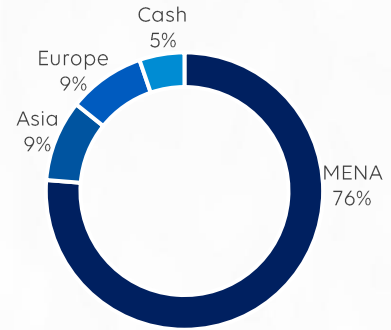
## Asset Allocation



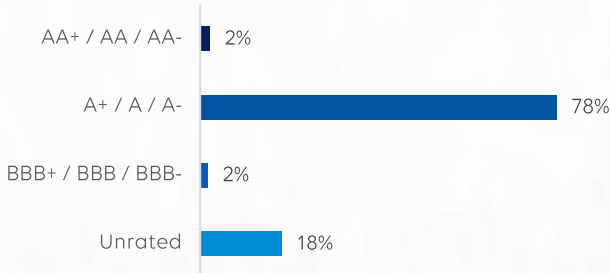
## Equity

RoE	2.1%
Earnings Yield	8.1%
PE (12m Forward)	12.3x
EV/EBITDA (12m Forward)	N/M
Net Debt/EBITDA	N/M

## Regional Allocation



## Sukuk Credit Rating Breakdown



## Equity Market Capitalization Breakdown



## Fund Management Sales

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## Address

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