

31 August 2024



## Fund Objective & Strategy

The Fund seeks to generate positive returns on the long term with a balanced risk level. The Fund aims to distribute profits, if any, on a quarterly basis upon the discretion of the Fund Manager.

The Fund's strategy is to Invest in local, GCC and global Sukuk denominated in US Dollar or any other currency as deemed fit by the Fund Manager in addition to money market funds or any other debt instrument funds which are sharia compliant and licensed by the CMA or any foreign entity as per regulatory standards and conditions similar to the ones adopted by the CMA at least, and the Fund may further invest in the equivalent of deposits in Islamic banks.



## Fund Features

- Balanced risk level with returns higher than fixed-deposits
- Weekly liquidity
- Quarterly distributions (if applicable)



## Fund Facts

|                                   |   |
|-----------------------------------|---|
| Fund Structure                    | Open ended  |
| Inception Date                    | 11 December 2019  |
| Currency                          | US Dollars (USD)  |
| Liquidity                         | Weekly  |
| Minimum Subscription              | USD 5,000   |
| Subscription fees                 | None  |
| Redemption fees                   | None  |
| Management fees                   | <ul style="list-style-type: none"> <li>0.40% p.a, if 1-month annualized return below 3%.</li> <li>0.60% p.a, if 1-month annualized return between 3% to 4%.</li> <li>0.75% p.a, if 1-month annualized return above 4%.</li> </ul> |
| Fund manager                      | Boubyan Capital Investment Company K.S.C.C.   |
| Fund advisor                      | Watani Investment Company K.S.C.C. (NBK Capital)  |
| Distributor                       | Boubyan Bank K.S.C.   |
| Custodian & Investment Controller | Kuwait Clearing Company K.S.C.  |
| Sharia Auditor                    | Shura Sharia Consultancy  |
| Auditor                           | Ernst & Young (Kuwait)  |
| Domicile                          | State of Kuwait   |
| Executive Committee               | <ul style="list-style-type: none"> <li>Badria Hamad ALHumaidhi</li> <li>Abdulmohsen Samir ALGharaballi</li> <li>Mohammad Manea ALAjmi</li> <li>Omar Abdulaziz AlRasheed</li> <li>Asok Kumar Nayer</li> </ul>                      |

NAV | USD 10.4698



## Performance

|                                   |       |
|-----------------------------------|-------|
| 1 Month Return                    | 1.22% |
| 12 Months Return                  | 6.29% |
| Cumulative YTD Return             | 3.54% |
| 2 Year Return                     | 6.57% |
| Annualized Since Inception Return | 1.50% |
| Cumulative Since Inception Return | 7.20% |
| Standard Deviation                | 0.98% |
| Sharpe Ratio                      | 0.793 |



## Profit Distribution

| Date                 | January 2021 | January 2022 |
|----------------------|--------------|--------------|
| Type of distribution | Cash         | Cash         |
| Percentage           | 1%           | 1.5%         |



## Fund's Top Five Holdings

| Name                   | Weight |
|------------------------|--------|
| KSA 4.303 19/01/2029   | 10.62% |
| PIFKSA 6 ¼ 10/25/33    | 9.84%  |
| DIBUH 2.95 02/20/25    | 5.62%  |
| RAKS 3.094 03/31/25    | 5.44%  |
| MAFUAE 3.9325 02/28/30 | 5.25%  |



## Key Metrics

|                                |       |
|--------------------------------|-------|
| Yield to Maturity              | 5.14% |
| Coupon                         | 4.28% |
| Duration                       | 3.15  |
| Weighted Average Credit Rating | BBB+  |



## Fund IDs

|             |            |
|-------------|------------|
| Bloomberg   | BBYIGSF KK |
| Morningstar | F000014RDD |
| Lipper      | 68593166   |

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# Boubyan Islamic Global Sukuk Fund

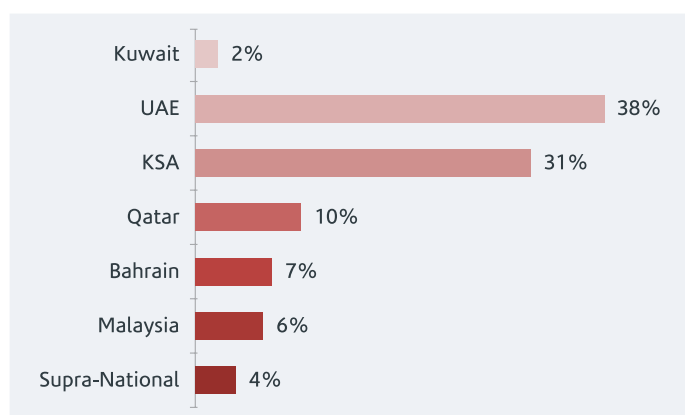
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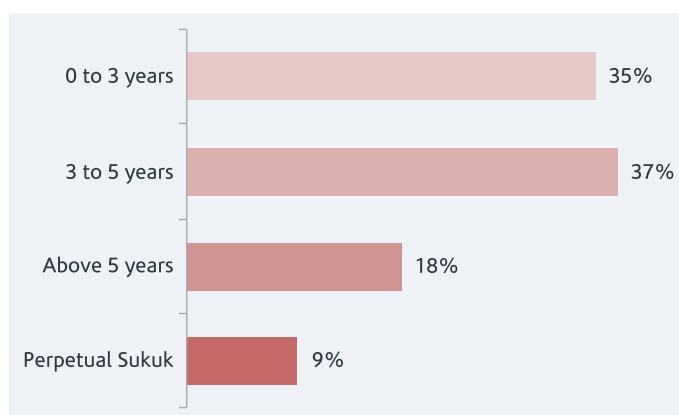
## Monthly Performance (%)

| Year | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul  | Aug  | Sep   | Oct   | Nov   | Dec   | Return for the year |
|------|-------|-------|-------|-------|-------|-------|------|------|-------|-------|-------|-------|---------------------|
| 2019 | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   | N/A  | N/A  | N/A   | N/A   | N/A   | -0.24 | -0.24               |
| 2020 | 0.75  | 0.23  | -6.31 | 2.26  | 2.43  | 1.53  | 1.92 | 0.97 | -0.10 | 0.47  | 1.11  | 0.79  | 5.91                |
| 2021 | 0.31  | -0.17 | -0.82 | 0.77  | 0.49  | 0.32  | 0.23 | 0.36 | -0.04 | -0.39 | -0.24 | 0.26  | 1.07                |
| 2022 | -1.18 | -0.96 | -2.08 | -1.19 | -0.28 | -1.54 | 0.67 | 0.97 | -2.60 | -2.03 | 2.18  | 0.08  | -7.35               |
| 2023 | 1.89  | -0.96 | 1.07  | 0.70  | -0.25 | -0.40 | 0.23 | 0.02 | -0.61 | -0.46 | 2.03  | 1.87  | 4.94                |
| 2024 | -0.02 | -0.06 | 0.67  | -1.01 | 1.10  | 0.31  | 1.28 | 1.22 |       |       |       |       | 3.54                |

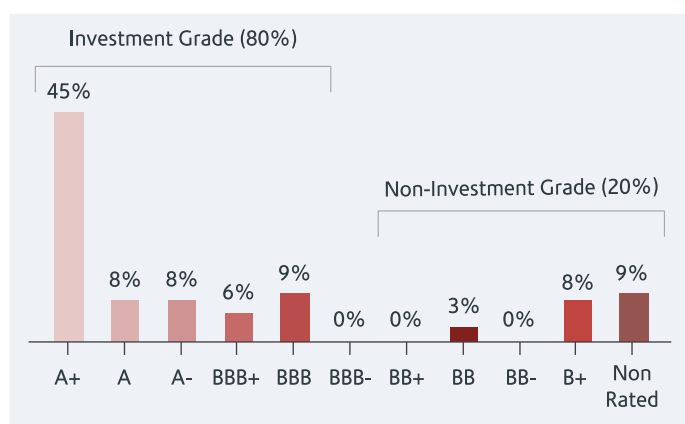
## Geographic Weights



## Maturity Profile



## Credit Rating



## USD 5,000 Invested Since Inception



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## Islamic Global Sukuk Fund Commentary

### GCC

In August, the global sukuk market performed positively as U.S. treasury yields decreased. During the month, the drop in yields was driven by macroeconomic data released and commentary from FOMC members.

August marked a quiet month for the primary market with only USD 1.7 Billion in issuances across 11 deals. The most notable deal came from Kuwait where Equate raised USD 750 million in 7-year sukuk at a profit rate of 5.2%

5-Year sovereign CDS spreads in the GCC ended the month broadly unchanged on the investment grade side, while the equivalent spreads on the high yield side for Oman widening by 9 basis points compared to that of Bahrain which tightened by 15 basis points.

The S&P MENA Sukuk Index increased by 1.93% during the month, underperforming global conventional investment grade peers due to its shorter duration.

### Asia

Outside the GCC, the USD Sukuk markets in Indonesia outperformed the region. During August, the CDS spread of both Indonesia and Malaysia tightened by 7 and 5 basis points respectively.

### U.S. Rates

The benchmark 10-year U.S. Treasury yield closed the month at 3.9% down by 13 basis points from the previous period.

In contrast to equities, fixed income assets experienced less volatility during August as interest rates fluctuated within a narrower range. The asset class delivered a strong performance, driven by falling benchmark rates, with Investment Grade credit outperforming High Yield due to its higher duration. On the U.S. monetary policy front, Fed Chair Powell provided the clearest signal yet this year in favor of a rate cut, anchoring market expectations for a 25-basis points rate cut in September.

Oil markets were notably volatile. Prices initially fell on concerns about weakening global demand, particularly from China.

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