

Investment Objective

The Strategy invests in Sharia compliant equities across the major markets, with the objective of generating returns in excess of the benchmark, over a 5-3 year period.

Investment Manager

Rasameel Investment Company KSCC

Time Horizon

Longterm

Inception Date

01/11/2016

Base Currency

USD

Benchmark Index

MSCI World Islamic index

Top Holdings

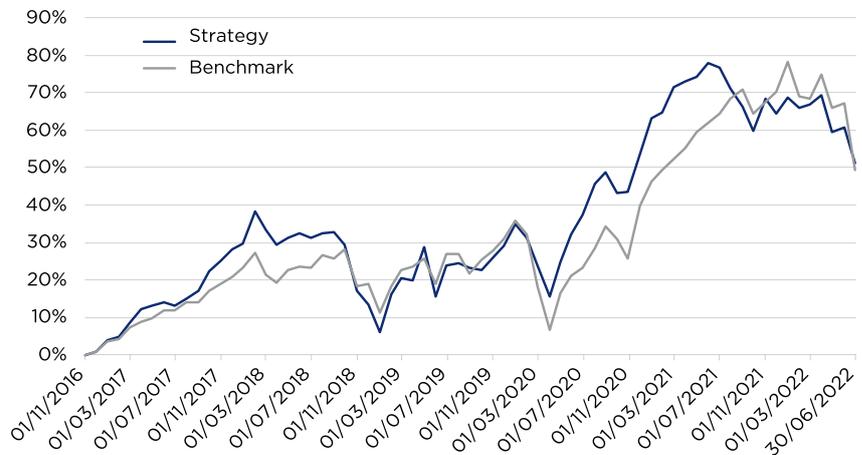
Company	Weight
8058 JT	3.21%
VIPS US	3.16%
MCK US	3.10%
YCA LN	3.08%
NSPSY US	2.96%

Characteristics	Strategy
TTM P/E	12.58
P/B	2.00
P/CF	8.93
Dividend Yield	2.75%
Debt/Equity	0.49

Returns	Strategy	Benchmark
MTD	-6.07%	-10.64%
YTD	-10.47%	-16.27%
ITD	51.10%	49.31%

Risk Statistics-1Yr	Strategy	Benchmark
Std. Dev	16.00%	15.07%
Downside Risk	11.60%	11.05%
MC VAR	-24.47%	-28.46%
BETA (ex-post)	0.91	1.00
Correlation	0.83	1.00
Sharpe Ratio	-0.85	-0.53
IR	-0.73	NA

Performance

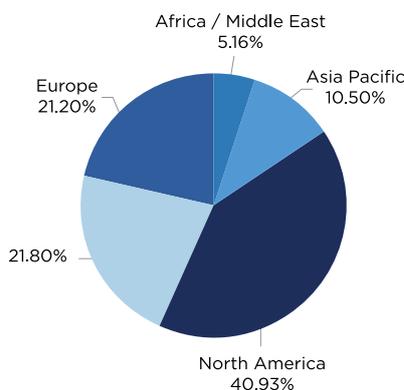


Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Benchmark
2022 (%)	-1.63	0.54	1.51	-5.86	0.84	-6.07							-10.67	-16.27
2021 (%)	1.00	4.11	0.84	0.65	2.20	-0.77	-3.17	-2.71	-4.05	5.39	-2.27	2.64	3.56	21.93
2020 (%)	-2.78	-5.47	-6.82	8.09	5.99	3.83	6.10	2.14	-3.81	0.14	7.14	6.24	21.05	7.76
2019 (%)	9.64	3.58	-0.55	7.61	-10.28	7.08	0.55	-1.06	-0.45	2.66	2.64	4.39	26.93	22.08
2018 (%)	6.58	-3.55	-3.05	1.50	0.94	-0.85	0.81	0.30	-2.66	-9.50	-3.14	-6.43	-18.10	-9.85
2017 (%)	0.87	3.48	3.60	0.86	0.76	-0.89	1.77	1.82	4.52	2.13	2.48	1.22	23.92	19.05
2016 (%)											0.67	3.12	3.81	3.59

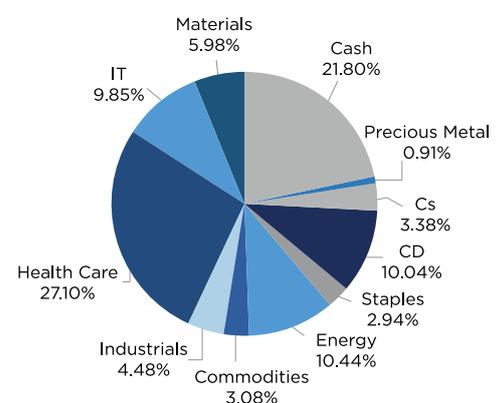
30 Day Top Contributors & Detractors

Contributors	Return	Cont.	Detractors	Return	Cont.
NSPSY US	34.63%	0.72%	YCA LN	-16.03%	-0.50%
9618 HK	11.84%	0.24%	GFS US	-32.42%	-0.46%
EDU US	55.90%	0.19%	ARNGF US	-61.63%	-0.45%
VIPS US	6.34%	0.17%	8058 JT	-13.76%	-0.44%
BMRN US	10.30%	0.10%	BKR US	-19.76%	-0.38%

Geographic Breakdown



Sector Breakdown



* The performance shown above is gross of all fees and unaudited. Past performance is not indicative of future returns.

Disclaimer:

This document is prepared for promotional purposes. The performance stated above is for a composite of client accounts and is gross of all fees and commissions. Actual client performance may vary from the composite. Rasameel Investment Company hereby undertakes that it does not disguise, diminish or obscure important items from the investment subject of promotion.

Warning:

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Comment

Following on from May, June again was a particularly difficult month to navigate global markets. Higher than expected inflation, hawkish central banks and growing talk of recession weighed down investor sentiment. Volatility remained elevated as growth concerns mounted alongside ongoing inflation risks. But, despite macro pressures, the Global Equities Strategy, yet again outperformed its benchmark, the MSCI World Islamic index and the S&P 500 in June. The Strategy fell 6.1% (gross) while the benchmark fell by 10.6%. In comparison, the S&P 500 index fell 8.3%.

On a year-to-date basis, the Strategy is significantly outperforming its benchmark, down 10.5% vs the benchmark's fall of 16.3% and the S&P's collapse of 20%. While the Strategy is down YTD in absolute terms, on a relative basis the Strategy has done a good job protecting capital in a down market. This was achieved largely by our overweight allocation to cash and our defensive sector positioning. The Strategy currently trades at a lower PE and offers a higher dividend yield than the S&P 500. We believe the Strategy is well positioned here (~20% cash) to protect capital and take advantage of any mispricing's and rebalance exposures opportunistically. For example, we have been adding to fundamentally attractive, profitable companies like Zoom (**ZM US**) that we believe have now reached oversold levels and provide good risk/reward at these prices.

In terms of contributors, our Chinese equity holdings within the consumer discretionary sector were the top performers over the month. Naspers (**NPSNY US**) returned 34%, JD.com (**9618 HK**) returned 11.8%, New Oriental Education (**EDU US**) returned 56% and VIPShop holdings (**VIPS US**) returned 6.3% respectively in June. Massive outperformance from our China holdings in a month where global markets struggled meaningfully. We are seeing positive developments out of China, as they have eased on COVID19 restrictions, as well as credit conditions to help spur the economy in the second half of the year. While the US and Europe seem destined for a recession, China is already suffering from a weak economy and is looking to provide the conditions to emerge from it. We expect commentary coming out of the upcoming 20th National Congress meeting of the CCP later this year to further boost sentiment for the space, particularly the internet sector where we maintain bulk of our China exposure.

In terms of detractors, the Strategy's exposure to cyclical sectors such as energy, commodities and semis struggled over the month as recession fears built up. Brent crude fell 6.5% to \$115/bl while industrial metal copper fell 12% in June. YellowCake (**YCA LN**) fell 16% over the month, as uranium prices took a breather. The selloff was in-line with the broader commodities selloff. Yellowcake now trades at a 20% discount to its NAV, essentially trading below the value of uranium it is holding in storage. We are thus happy to hold given the discount to NAV and our long-term bullish outlook for uranium prices. Within semis, US semiconductor manufacturer GlobalFoundries (**GFS US**) fell 32%, in line with the semiconductor sector on fears that the semiconductor market is approaching oversupply in a lower growth environment. Energy sensitive stocks such as Mitsubishi Corp (**8058 JP**) and Baker Hughes (**BKR US**) were down 13.8%, and 19.8% over the month respectively. Argonaut Gold (**ARNGF US**) fell 61% in June as the minor continues to struggle in a high inflation environment. The stock is a small ~20bps position in the Strategy.

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We continue to monitor risk across global macro, and at the sector and security level. We have recently reduced exposure to cyclical areas of the market such as semiconductors, energy and materials, which have come under pressure due to recession fears and raised further cash on market rallies. We would look to cut back on risk exposure further should our risk indicators worsen, but do note that for longer term investors that can manage the volatility it is a reasonable time to start averaging down, particularly into high quality areas of the market.

Please find our detailed monthly commentary [here](#).

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