

Al Hilal Global Sukuk Fund



Factsheet – November 2024

NAV per share USD 9.75

Investment objective

The Fund aims to generate appropriate periodic returns on its investments giving the investors a chance to receive periodic coupons in addition to achieving long-term capital growth by investing in a diversified portfolio of Shariah-compliant global fixed-income securities (Sukuk) and in accordance with the controls stipulated in the investment guidelines.

Net asset value

AUM (Mln)

USD 24.37

Investment information

Inception Date	27 March 2012
Base Currency	USD
Benchmark	LIBOR + 100bps
Fund Structure	Open Ended - Abu Dhabi, UAE
Investment Manager	Abu Dhabi Commercial Bank
Investment Advisor	Principal Islamic Asset Management Sdn Bhd
Custodian	Standard Chartered Bank
Administrator	Apex Fund Services Ltd
Min. Subscription	USD 10,000
Dealing Frequency	Weekly
Management Fee	0.85%
Subscription Fee	0.75%
Redemption Fee	None
Bloomberg	ALHGSUK:UH

For further information please contact:

Asset Management Department
P.O.Box 63111
Abu Dhabi, UAE
Tel (Int'l): +971 2 499 4220 | Tel (UAE): 800 66 66 66
Email: assetmanagement@alhilalbank.ae



Investment commentary

Portfolio

In November, US Treasury (UST) market initially weakened with yields moving higher, after Donald Trump's sweeping win in the US presidential election was met with mixed reactions. The new Republican government is expected to implement fresh rounds of policies, ranging from tariffs, tax cuts, and immigration crackdowns, to boost economic growth and reduce dependencies on cheap foreign imports and labor. Benchmark 10-year UST yields surged by 22bps from 4.28% at end-October to touch an intra-day high of 4.50% on 15th November. Nevertheless, sentiment in the Treasury

Market

In early November, 10-year UST yields initially fluctuated lower from 4.28% at-end October amid generally weaker than expected US economic data, before rising 20 bps higher to 4.48% on 6th November, following Donald Trump's victory in the US presidential election. In October, nonfarm payrolls plunged from 223,000 in September to 12,000 (far below consensus of 100,000) reflecting lingering impacts from hurricanes in Southeast US, strikes at Boeing and manufacturing job cuts. Unemployment rate held up at 4.1% in October, while average hourly earnings rose from 3.9% to 4.0% y-o-y, driven by hiring in health care and government. Meanwhile, ISM manufacturing contracted further from 47.2 to 46.5 in October (consensus 47.6), dragged down by a decline in production and shrinking inventories. On the other hand, ISM services unexpectedly expanded from 54.9 to 56.0 (consensus 53.8), marking its fastest pace in over two years. At the FOMC meeting on 7th November, the US Fed unanimously cut its interest rate by 25bps, bringing it to the 4.50%-4.75% range; moving at a less aggressive pace than before. Fed Chairman Jerome Powell commented that the Fed is committed

market turned positive with 10-year UST yields rallying 33bps lower to close the month at 4.17% (m-o-m 11bps lower), anchored by mixed US economic data. At the November FOMC meeting, the US Fed delivered a smaller 25bps interest rate cut, taking it to the 4.50%-4.75% range, with US Fed Chairman Jerome Powell emphasizing that the results of the recent presidential election would have no "near term" impact on US monetary policy. UST yield curve shifted lower with shorter 2-3-year yields falling by 2-4bps, while longer 5-30 year yields sinking by 11-14bps. Global Sukuk prices recovered in the second half of the month, in tandem with the rally in US Treasury.

to maintain the economy's strength by returning inflation to the 2.0% goal while supporting maximum employment. In response, UST 10-year yields rallied 20bps lower, back to the 4.28% level. In mid-November, UST yields continued to be pressured higher, with 10-year UST yields surging back up 22bps higher to 4.50%, as investors braced for the potential outcome of President Trump's second administration. On the same note, several US Fed officials reiterated their mounting uncertainty over the neutral rate due to the recent structural changes in the economy which requires more time to be fully assessed. Nevertheless, 10-year UST yields reversed course and plunged 33bps lower to close the month at 4.17% (-11bps m-o-m), on the back of mixed US economic data. In November, the final University of Michigan Sentiment index surprisingly worsened from 73.0 in October to 71.8 (consensus 73.9). Brent crude oil prices inched lower from USD 73.16/bbl to USD 72.94/bbl (0.30% lower m-o-m), as sentiment was dampened by continued weakness in China's economic data and signs of easing tension in Israel-Hezbollah conflict.

Top 5 holdings

#	Name	Sector	Country	Weight
1.	NBAD_OTELSU 5 3/8 01/24/31 - GSF	Telecommunication	Oman	8.23%
2.	BHRAIN 4 1/2 03/30/27 - GSF	Sovereign & Quasi-sovereign	Bahrain	8.01%
3.	PIFKSA 6 1/4 10/25/33 - GSF	Sovereign & Quasi-sovereign	Saudi	7.78%
4.	Saudi Electricity 5.500 08/04/44 - GSF	Sovereign & Quasi-sovereign	Saudi	6.09%
5.	KFH SUKUK CO Jan 29 5.011% - GSF	Financial	Kuwait	5.15%

Regional allocation

1 Saudi	24.46%
2 UAE	16.46%
3 Oman	14.44%
4 Indonesia	10.27%
5 Malaysia	8.90%



Sector allocation

1 Sovereign & Quasi-sovereign	51.46%
2 Financial	19.87%
3 Real Estate	9.18%
4 Telecommunication	8.23%
5 Transportation & Logistics	1.99%

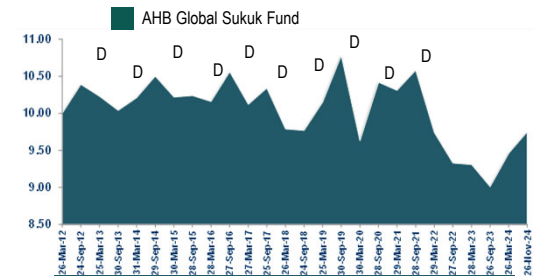


Fund performance

Performance (net)	Fund
Return (Month)	0.00%
Return (YTD)	2.63%
Return (SI) Cumulative	33.79%

*Estimation performance numbers.

Source: Bloomberg



Monthly performance (net)

2023	November	3.45%
2023	December	5.56%
2024	January	-1.37%
2024	February	0.21%
2024	March	0.75%
2024	April	-1.48%
2024	May	1.18%
2024	June	0.42%
2024	July	1.16%
2024	August	2.19%
2024	September	1.12%
2024	October	-1.52%
2024	November	0.00%

Fund characteristics

Average Coupon	4.53%
Yield to Maturity	4.80%
Duration (years)	5.60

This material is provided on an information-only basis for investors. The provision of this material and/or reference to specific securities, funds, sectors, or markets within this material does not constitute investment advice, or a recommendation or an offer to buy or to sell any fund or security, or an offer of services by Al Hilal Bank. Investors should consider the investment objectives, risks and expenses of any investment carefully before investing. Performance figures are shown to the last valuation day of the month under review. The performance data quoted represents past performance. Past performance is not an indication of future performance, provides no guarantee for the future, and is not constant over time. Performance returns may increase or decrease as a result of currency fluctuations. For any further information or queries, you may refer to the prospectus of the fund and the term sheet already provided to you or alternatively, you may contact Al Hilal Bank. This material may not be distributed, published, or reproduced, in whole or in part without the express permission of Al Hilal Bank.