tam sharia

SHARIA-COMPLIANT GBP MODEL PORTFOLIOS

RISK PROFILE: ADVENTUROUS (HIGH RISK) DATE: 30 JUNE 2024

PORTFOLIO OBJECTIVE

This model comprises Sharia-compliant investment vehicles including unit trusts, mutual funds and exchange traded funds (ETFs), whose managers aim to outperform their respective markets. Asset classes you could find in this portfolio are Sharia equities, Sukuk bonds, Sharia approved commodities and cash.

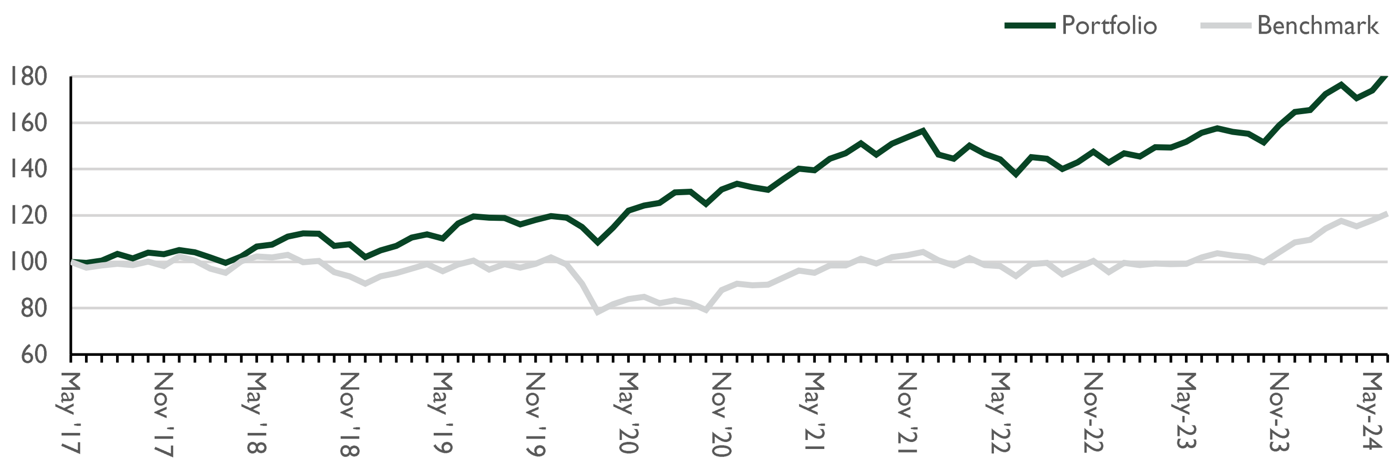
The portfolio seeks to generate strong capital growth over the long term (7 years or more) and can experience potentially frequent and high levels of volatility. Portfolios will typically comprise 90% equity and 10% non-equity, though weightings may deviate within set parameters, allowing managers to react to market conditions.

KEY INFORMATION

Portfolio Benchmark	Bloomberg Global EQ:FI 90:10
Inception Date	05/05/2017
Minimum Investment	Any size
TAM Annual Management Charge	0.50%
TAM Platform Fee	0.25%
Underlying OCF	0.50%

Please note that the information in this document refers to the model directly via the TAM Platform only.

PERFORMANCE



	Cumulative Return %					
	3 Month	6 Month	1 Year	3 Year	5 Year	Inception
Portfolio	4.04	11.43	17.89	26.88	56.76	85.05
Benchmark	1.77	10.35	17.27	21.48	21.98	23.65
Difference	2.27	1.08	0.62	5.40	34.78	61.40

	Calendar Year Returns %				
	2020	2021	2022	2023	2024 YTD
Portfolio	11.35	17.08	-8.78	15.29	11.43
Benchmark	-10.30	14.96	-8.18	13.35	10.35
Difference	21.65	2.12	-0.60	1.94	1.08

All performance figures are net of TAM's investment management fee.

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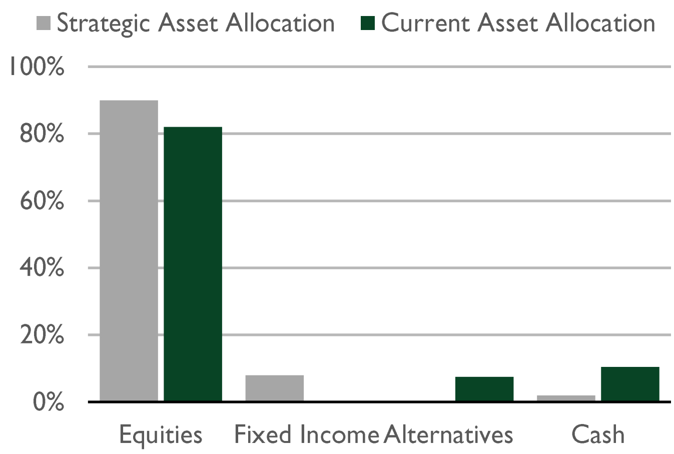
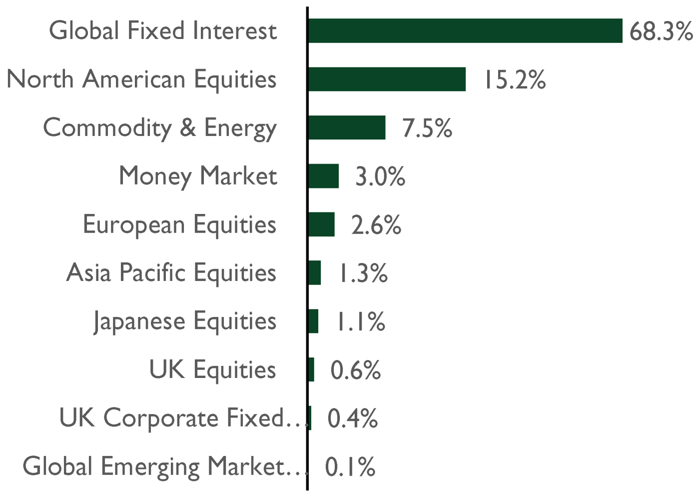
RISK

	Volatility %			Maximum Drawdown %		
	1 Year	3 Years	5 Years	1 Year	3 Years	5 Years
Portfolio	8.99	10.04	10.17	-3.86	-11.90	-11.90
Benchmark	8.69	9.81	12.52	-3.72	-9.85	-22.32
Difference	0.30	0.23	-2.35	-0.14	-2.05	10.42

STRATEGIC V CURRENT ASSET ALLOCATION



TOP 10 ASSET ALLOCATION



PORTFOLIO ACTIVITY

It has been a strong period for the Sharia portfolios which have been positioned well to benefit from positive trends in global markets. Therefore, it was a quarter of active management with a focus on downside protection from these levels. Exposure to the HSBC Shariah multi-asset fund was increased as volatility surrounding geopolitical tensions took hold at the start of the quarter. This position has now become a core holding in the non-equity part of the TAM Sharia portfolios. The models continued to benefit from strong exposure to precious metals with profits taken in mid-June after a strong period for the silver fund seen in higher risk portfolios. The iShares MSCI USA Islamic ETF was sold down in favour of the HSBC Global Islamic Equity fund. This provided a small trim of US exposure, as the Global fund still invests here and increased exposure to a fund that we see as offering higher levels of diversification than the iShares ETF.

TOP 10 PORTFOLIO HOLDINGS %

1)	HSBC Islamic Gbl Equity Index Fd I Class	25.00
2)	Invesco Perpetual Dow Jones Islamic Global Dev Markets ETF Acc USD	20.00
3)	Schroder Islamic Global Equity Fund Z Acc GBP	12.50
4)	HSBC EM Islamic ESG ETF Acc USD	10.00
5)	Comgest Growth Europe S Acc GBP	7.50
6)	Saturna HanETF Al Kawthar Gbl Equity ETF Acc GBP	7.00
7)	HSBC Shariah Multi-Asset Acc GBP	4.50
8)	WisdomTree Physical Silver GBP	3.00
9)	Franklin Templeton Global Sukuk W Qdis USD	0.00
10)	HSBC Global Sukuk Index Acc GBP	0.00

QUARTERLY REVIEW

Q2 was another strong month for the global equity market, with a 2.66% rally in the global equity index which TAM benchmark against. We remain in a market dominated by AI, and mega-cap US names returning a 4.14% positive return. However, a high proportion of that return is being attributed to a small number of stocks. Specifically, Microsoft, Nvidia, Eli Lilly and Meta make up 55% of the returns from the S&P 500 in the first 6 months of the year, with Nvidia delivering nearly 35% of that gain. This makes it a size and scale within the US market able to move the entire market direction on its own. However, this quarter also saw the UK return strongly from previous lows, led by smaller companies, while Europe looked fairly strong until it suffered amid general election uncertainty in France. On the bond side, it was a negative quarter for the index of corporate and sovereign debt. There were however pockets of stronger performance in emerging market debt and higher yielding bonds. The lion's share of fixed income securities has been held back this year by the increasingly lower expectations of rate cuts in 2024, starting with six quarter point cuts for the US at the start of the year, now down to one or two.

QUARTERLY OUTLOOK

The second half of the year will continue to be dominated by interest rates, elections, and the concentration in US markets of the mega-cap names. Whilst we see support for these stocks remaining, we are conscious that the rally in these names is prone to upsets from missed earnings or guidance downgrades, which could create a more volatile second half of the year for these behemoth stocks. On rate cuts, we see both Europe and the UK cutting again, perhaps in September with a 0.25% reduction in the headline rate. We think the US Federal Reserve will also begin to cut rates in Q4. Having said that, inflation as we know is not linear, and will continue to deliver both negative and positive surprises. This means that we can expect to see further volatility from interest rates and thus markets, which continue to oscillate around the direction of US inflation. Logically, the rate cutting cycle in the US is positive for bonds in both corporate and sovereign markets, but this will likely come under pressure again as Trump potentially takes back the White House and approaches the bond market for unfunded stimulus. We see the UK at a turning point off the back of the Labour landslide and expect to see some longer-term policies for growth being enacted - a step change from a Conservative party which recently largely sat on its hands.

RISK RATINGS

This model is rated 7 out of 8 on the TAM Risk Scale.

PLATFORM AVAILABILITY

The model is currently available directly via the TAM Platform only.

AWARDS

INVESTMENT WEEK SUSTAINABLE INVESTMENT AWARDS 2024

CITYWIRE WEALTH MANAGER Top 30 UNDER 30 2024

Investment Life & Pensions Moneyfacts Awards 2024 FINALIST

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