

RISK PROFILE: DEFENSIVE (LOW RISK)

DATE: 31 MARCH 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.

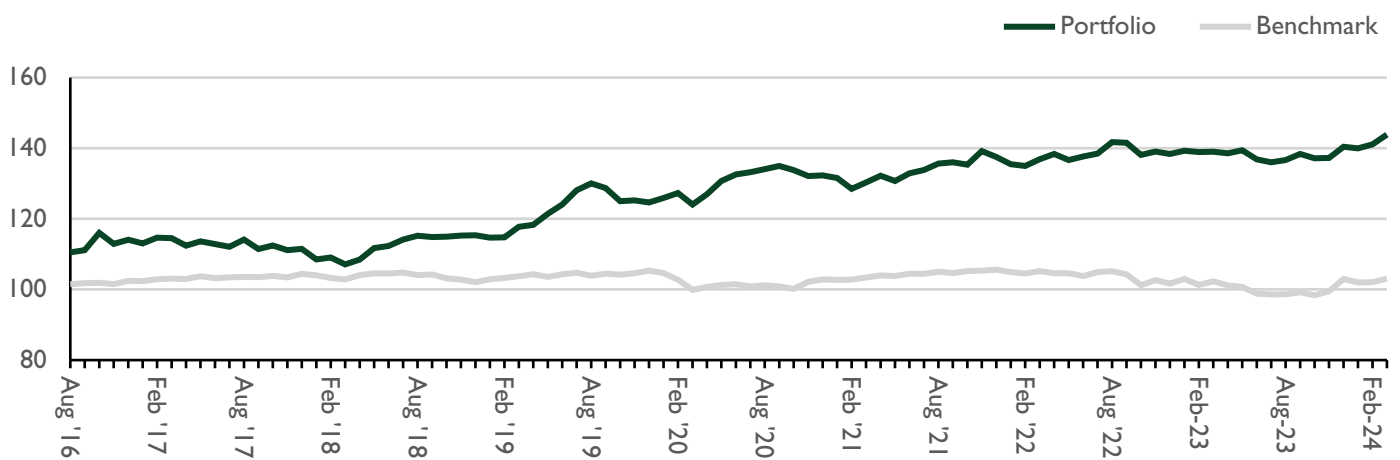
The portfolio seeks to generate modest returns higher than cash in the bank over the short to medium term (3 - 5 years or more) with potential for consistent though constrained capital growth. Portfolios will typically comprise 10% equity and 90% non-equity, though weightings may deviate within set parameters, allowing managers to react to market conditions.

**KEY INFORMATION**

Portfolio Benchmark	Bloomberg Global EQ:FI 10:90
Inception Date	12/05/2016
Minimum Investment	Any size
TAM Annual Management Charge	0.50%
TAM Platform Fee	0.25%
Underlying OCF	0.95%

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

**PERFORMANCE**



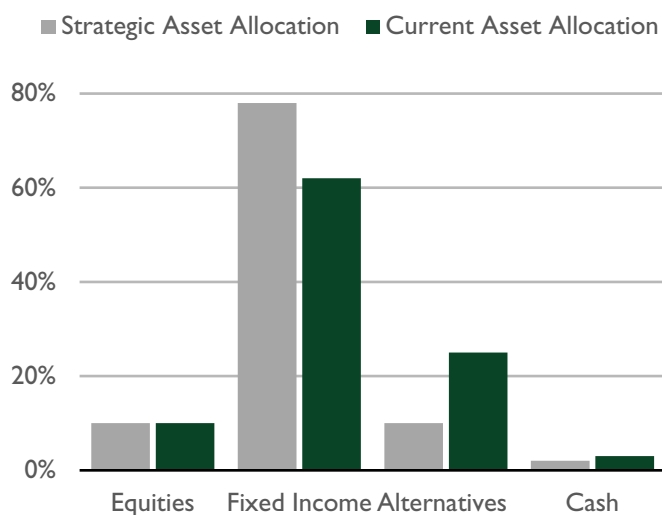
Cumulative Return %						
	3 Month	6 Month	1 Year	3 Year	5 Year	Inception
<b>Portfolio</b>	2.46	3.98	3.51	10.45	21.97	42.25
<b>Benchmark</b>	0.08	3.91	0.77	-0.30	-0.66	9.44
<b>Difference</b>	2.38	0.07	2.74	10.75	22.63	32.81
Calendar Year Returns %						
	2020	2021	2022	2023	2024 YTD	
<b>Portfolio</b>	6.16	3.93	0.63	1.50	2.46	
<b>Benchmark</b>	-2.35	2.71	-3.79	1.33	0.08	
<b>Difference</b>	8.51	1.22	4.42	0.17	2.38	

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

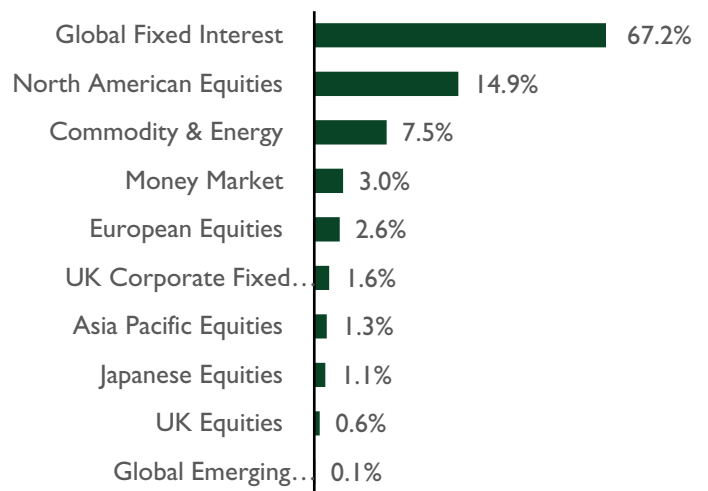
**RISK**

	Volatility %			Maximum Drawdown %		
	1 Year	3 Years	5 Years	1 Year	3 Years	5 Years
<b>Portfolio</b>	4.15	4.28	4.93	-2.43	-4.02	-4.79
<b>Benchmark</b>	4.85	3.89	3.65	-3.82	-6.87	-6.87
<b>Difference</b>	-0.70	0.39	1.28	1.39	2.85	2.08

**STRATEGIC V CURRENT ASSET ALLOCATION**



**TOP 10 ASSET ALLOCATION**



**PORTFOLIO ACTIVITY**

In Q1, we continued to position the portfolio around a continuance of US resilience, ensuring we maintain exposure to areas of the market we believe still offer attractive upside. Namely, US large-cap tech kept buoyant by solid corporate earnings and continued optimism around artificial intelligence (AI). We also added to our emerging market (EM) equity exposure. EM equities have been cheap on a relative basis to their developed counterparts and a shift in corporate culture towards greater capital efficiency is supporting profitability trends. As such, we introduced HSBC's Islamic Emerging Market equity fund to the portfolio - another exciting strategy recently launched for Sharia-compliant investors. At the macro level, the expectation of an easing in monetary conditions should be supportive for markets and has led us to take the portfolio to a slight overweight position in equities. An investment in a silver ETC was also made to broaden our precious metals exposure and to help capture the same policy easing tailwinds that have pushed equities higher.

**TOP 10 PORTFOLIO HOLDINGS %**

1) Franklin Templeton Global Sukuk W Qdis USD	22.00
2) HSBC Global Sukuk Index Acc GBP	17.50
3) Waystone Emirates Global Sukuk I Acc USD	12.50
4) Principal Global Sukuk I Acc GBP	10.00
5) HSBC Shariah Multi-Asset Acc GBP	10.00
6) HANetf Royal Mint Responsible Physical Gold ETC GBP	7.50
7) Principal Islamic Global Multi-Asset I GBP acc	7.50
8) Invesco Perpetual Dow Jones Islamic Global Dev Markets ETF Acc USD	5.00
9) Schroder Islamic Global Equity Fund Z Acc GBP	3.00
10) HSBC Islamic Gbl Equity Index Fd I Class	2.00

## QUARTERLY REVIEW

Q1 2024 proved to be a positive quarter for the global stock market. The sheer appetite of investors wanting to buy into the market ahead of well flagged interest rate cuts has been very powerful, which has pushed investors into equities over bonds. The belief, based on compelling evidence that the US economy is going to avoid a recession, is a clear confidence backstop helping investors to get comfortable getting back into the market from a rough 2022 and 2023. What has been an interesting development in this Q1 rally is the sectors doing well have broadened out to include more than just the Magnificent 7, which was just about the only major US sector in 2023 that investors were flocking into. Unsurprisingly, as the equity market has rallied on a more buoyant economic landscape, we have seen corporate and high yield markets continue to rally ahead of their government bond counterparts. In terms of figures, the US Treasury market is down 1% over Q1 2024, which isn't too disastrous considering treasuries rallied over 6% in Q4 2023. On the corporate bond side the picture looks better with corporate and high yield funds returning 7% over the last 6 months vs. the global bond market, which is up just 2% over that same time period.

## QUARTERLY OUTLOOK

In TAM's view, Q2 will likely be a more volatile one than Q1 as investors need more of a reason to keep buying stocks and not to retreat to the safety of government bonds. To us, this spells a market that can certainly rally across the full breadth of 2024 but will happen in fits and starts as the data lends itself to inflation then deflation tilts. We have seen allocations to value investing, - which routed growth stocks in the final March rally - starting to garner interest once again, which is great to see for a diversified client portfolio. We see more positivity coming back to Europe and emerging markets as investors go hunting for good companies with cheap share prices. Gold and silver are tipped for strong performance in Q2, along with broad commodities, all providing an area for optimism. A reassuring backstop for continuing positivity will come from central banks proving they are keen to start lowering interest rates, so should we see a recession on the horizon then expect to see swift support coming from central banks, which will help to stem any severe selloff.

## RISK RATINGS

This model is rated 3 out of 8 on the TAM Risk Scale.

## PLATFORM AVAILABILITY

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

## AWARDS



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