

## Fund Overview

The Halal Investment Fund is designed for investors with moderate risk tolerance and a medium to long-term investment horizon. The Fund invests in a broadly diversified portfolio of equities, sukuk and asset backed investments.

The Fund's activities are supervised by an investment committee which meets regularly to take investment decisions, oversee performance, and ensure proper risk management and Shariah compliance.

### Fund Facts

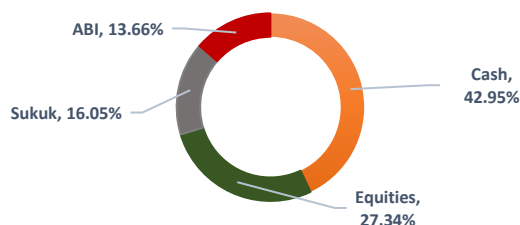
Launch Date	August 2008
Currency	Naira (NGN)
Fund Size	₦4.43bn
Net Asset Value (NAV) Per Unit	₦2.09
Custodian	Citi Bank Nigeria Limited
Trustees	FBNQuest Trustees Limited
Minimum Investment	₦5,000
Recommended Holding Period	3-5 years
Income Accrual	Daily
Risk Profile	Moderate
Share of Profit	70% (Investor) :30% (Manager)
Last Distribution	September 2024: ₦0.10/unit

Asset Class	Allocation Range
Listed equities	10% - 80%
Unlisted equities	0% - 30%
Asset Backed Investment (ABI)	10% - 80%
Sukuk	0% - 80%
Cash and Equivalents	0% - 40%

\* Asset Backed Investment refers to non-interest finance contracts such as Ijarah (lease) Murabaha (cost-plus) and Mudaraba (joint venture) contracts.

\* Cash and equivalents include Shari'ah-compliant short-term investments in Non-Interest Financial Institutions

## Current Asset Allocation



## Investor Profile

The Fund is specifically designed for ethically-inclined investors with moderate risk appetite. The Fund is suitable for **individual and institutional investors** seeking non-interest-based returns.

## Benefits to the Investor

<b>Competitive Returns</b>	Aims to provide attractive returns comparable to conventional instruments with similar risk profile.
<b>Moderate Risk</b>	Minimizes risk through diversification.
<b>Long term goals</b>	Suitable for investing towards long term goals such as retirement and education.
<b>Dividend</b>	Dividend is paid periodically at the discretion of the Fund Manager.
<b>Inclusive</b>	The Fund is targeted at investors with faith-based or ethical preferences, but open to the general investing public. It is reviewed annually for <b>Shariah compliance</b> .

## Market Review (Third Quarter 2024)

### GLOBAL ECONOMY

In the third quarter of 2024, the US Federal Reserve reduced its benchmark interest rate by 50 basis points to 5.00%, shifting its priority from inflation control to fostering economic growth. Monetary authorities in the Eurozone, United Kingdom and China also reduced their benchmark policy rates to 3.5%, 2.2% and 3.35% respectively while echoing similar desires to spur economic growth. The general shift in the monetary policy direction abroad should support capital flows to emerging markets going forward given the relatively higher market yields.

### LOCAL ECONOMY

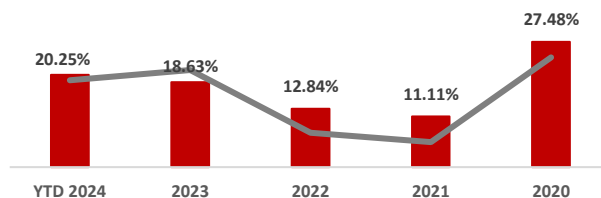
In Q2 2024, Nigeria's economy grew by 3.19%, which is marginally better than 2.98% in Q1 2024. Inflation also eased marginally to 32.15% in August but remained high due to persistent cost pressures. FX shortages however lingered in the period and the Naira weakened by -2.38% to ₦1,541.94/\$ at the Nigerian Autonomous Foreign Exchange Market (NAFEM) in September (June 2024: ₦1,505.30/\$). This prompted the CBN to raise the benchmark policy rate to 27.25%, which drove up fixed income yields.

Consequently, the NGX ASI fell by -1.50% during the quarter, signaling investors' concern over the economic challenges and the high cost of borrowing for businesses. The NGX Lotus Islamic Index was also down by -2.85%.

## Fund Performance

In the third quarter of 2024, the Halal Investment Fund gained 8.96% to close with a Net Asset Value of **₦2.09/unit**. The Fund has returned 20.25% over 9M'2024.

This positive performance was driven by gains from equity investments and profits on asset backed transactions.



	Q3'2024	9M'2024	Inception to Date
Fund Return	8.96%	20.25%	164.37%
Benchmark	1.50%	20.55%	-

## Fund Outlook

In the coming quarter, the Fund intends to increase its holding in fixed income investments to take advantage of the higher yields. For equities, we will invest in undervalued companies and minimize exposure to companies with significant foreign currency obligations. We believe these strategies would lead to higher returns for the Fund.

**Note:** Investing in Shariah-compliant products involves risk as the value of investments may rise and fall depending on the performance of the underlying assets. Past performance does not guarantee future performance.