

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

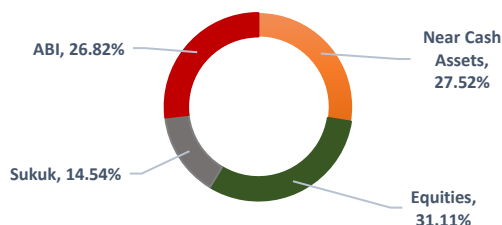
Launch Date	August 2008
Currency	Naira (NGN)
Fund Size	₦4.92bn
Net Asset Value (NAV) Per Unit	₦2.29
Custodian	Citi Bank Nigeria Limited
Trustees	FBNQuest Trustees Limited
Minimum Investment	₦5,000
Recommended Holding Period	3-5 years
Income Accrual	Daily
Risk Profile	Moderate
Share of Profit	70% (Investor) :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%
Near Cash Assets	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

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

Market Review (Fourth Quarter 2024)

GLOBAL ECONOMY

In the fourth quarter of 2024, there was a shift in monetary policy abroad. Specifically, the US Federal Reserve reduced its benchmark interest rate by 25 basis points to 4.50%, effectively changing its priority from inflation control to economic growth. This policy shift was a trend among central bankers in the Eurozone, United Kingdom and China who also reduced their benchmark rates to 3.00%, 4.75% and 3.10% respectively while echoing similar desires to spur economic growth. Emerging economies like Nigeria should ideally benefit from lower interest rates abroad, as this will make the higher yields on local securities attractive to foreign investors, increase capital inflow and support exchange rate stability.

LOCAL ECONOMY

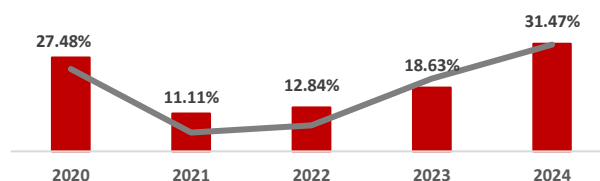
The Nigerian economy responded to the recent reforms and grew by 3.46% in Q3 2024, an improvement from 3.19% in Q2 2024. Inflation however rose from 32.70% in September 2024 to 34.60% by November 2024, driven largely by higher fuel and energy costs. Food inflation also spiked considerably and hit 39.93% in November 2024, owing to the higher prices of staple items like rice, maize, bread, potatoes, and cooking oil.

Nigeria's external reserves increased by 6.57% in the final quarter of the year to close at \$40.80 billion. In addition, the naira showed signs of stability and stayed at circa ₦1,544.83/\$ at the Nigerian Autonomous Foreign Exchange Market (NAFEM). In the parallel market, the naira traded at around ₦1,645.00/\$.

Investor sentiment in the equities market improved in the period and the NGX ASI and NGX Lotus Islamic Index were up by 4.43% and 13.87% respectively. For FY 2024, the NGX ASI returned 37.65% while the Lotus Islamic Index returned 50.57%.

Fund Performance

In the fourth quarter of 2024, the Halal Investment Fund gained 7.00% to close with a Net Asset Value of **₦2.31/unit**. This positive performance was driven by gains from equity investments and profit on asset backed transactions. The Fund made of return of 31.47% for FY 2024.



	FY'2024	FY'2023	Inception to Date
Fund Return	31.24%	17.48%	184.00%
Benchmark	31.21%	21.37%	-

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.