

## Investment objective

SHUAA North America Equity Fund is an actively managed fund focused on maximizing capital growth through a diversified portfolio of Sharia-compliant North America equities across most sectors in that region. The fund targets high-quality, high-growth businesses that we believe are currently undervalued.

## Fund Manager Commentary

December saw most indices fall back after a Trump inspired November rally, but the large cap tech sector outperformed strongly on continued superior growth prospects. The S&P fell 2.5% but the tech heavy Nasdaq actually rose 0.4% as the Magnificent 7 stocks added more than 6% over the month. The small cap Russel 2000 lost 8.4% as the negative aspects of potential Trump policies such as tariffs came back into focus. Unsurprisingly the best performing sectors and the only ones to register a gain in December were Communication Services, home to Alphabet and Meta, Discretionary where Tesla and Amazon are found and Technology including Microsoft, Nvidia, Apple and Broadcom. The worst performing sectors were those most sensitive to economic disruption from tariffs such as Materials -10.9%, Energy -9.6%, Real Estate -9.1% and Industrials -8.1%.

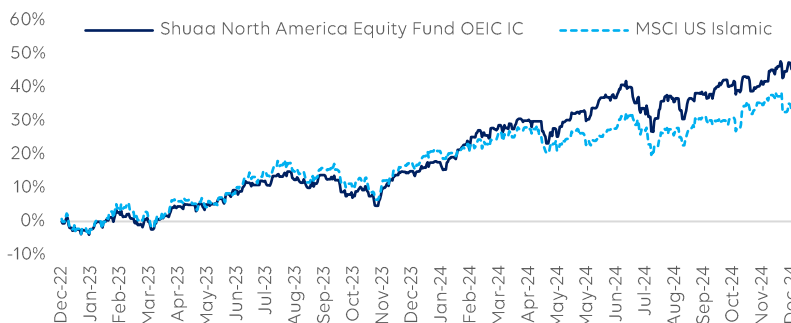
On a stock basis Tesla continues to benefit from its CEOs relationship with Trump, rising another 17% on the hope that the company will benefit from favorable policies. Broadcom soared 43% over the month as they reported continued strong growth because of AI, and valued their future end markets at \$90bn, well above expectations. The other main large cap tech winners were Alphabet up 12%, Apple up 5.5% and Amazon 5.5%. Outside of the technology sector Pfizer rose 4% as they gave an unexpectedly bullish outlook for growth now that their extraordinary earnings from the covid period have ceased.

As we enter 2025 volatility could remain higher than recent years as the positives of deregulation and fiscal stimulus are somewhat offset by Trumpian tariffs imposed on trading partners. Valuations are also high by historic standards with the S&P on 21.6x future earnings and the Nasdaq 26.1x. These are levels only seen during the pandemic and the tech bubble so considerable earnings growth is probably required to support these lofty levels. Elsewhere valuations are much more in line with historic levels such as Europe 13.4x, Japan 14.9x and China 8.2x. However, the US economic outlook is markedly better than for their peers and they have most of the worlds large tech companies, justifying a significant premium. We continue to focus on quality growth companies in the tech sector benefitting from AI and digitalization, and also those businesses benefitting from the onshoring of production to the US. We are cautious on cyclical businesses however because of the threat to their earnings from disruption due to tariffs and weak economic growth outside of the US.

## Return Statistics

	MTD	3M	6M	YoY	YTD	Inception
SHUAA North America Equity	0.9%	3.3%	4.5%	21.6%	21.6%	43.1%
MSCI US Islamic	-3.6%	-0.6%	2.3%	7.9%	7.9%	30.6%

## Fund Returns Since Inception



\*Performance Fees of 15% charged since inception until June 2024

## Fund Facts

Inception Date	Dec 2022
Domicile	Abu Dhabi Global Markets
Fund Currency	USD
Asset Class	Equities
Geography	North America
Type	Islamic
ISIN	AE000A3CSWS2
Number of Holdings	32
Subscriptions/Fees	Daily / 0%
Redemptions/Fees	Daily / 0%
Leverage	0%
TER / Mgmt Fee	2.0% / 1.5%
Performance Fee	Zero
Fund Manager	Jacob Robbins
Co Fund Manager	Aarthi Chandrasekaran
Investment Manager	SHUAA GMC Limited

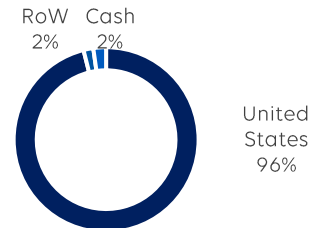
## Portfolio Statistics

Fund AUM	\$28.7m
NAV per Share	143.1

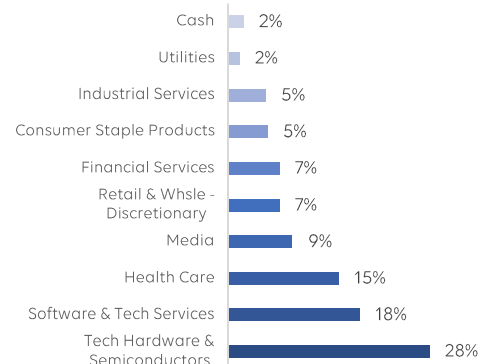
## Performance

Annualised return	18.9%
Sharpe ratio	1.3
Tracking error	3.7%

## Regional Allocation



## Sector Allocation



Top Five Holdings (Excluding cash)		Fund Metrics		Sector MTD Performance	
Apple Inc	12.7%	Dividend Yield	1.1%	Communication Services	3.5%
Microsoft Corp	10.8%	PB (12m Forward)	21.5x	Consumer Discretionary	2.3%
Nvidia Corp.	9.1%	PE (12m Forward)	28.2x	Information Technology	1.1%
Amazon.com INC	7.4%	EV/EBITDA (12m Forward)	20.5x	Consumer Staples	-5.2%
Alphabet Inc - CL A	7.4%	RoE	62.4%	Financials	-5.6%
				Health Care	-6.4%
				Utilities	-8.1%
				Industrials	-8.1%
				Real Estate	-9.1%
				Energy	-9.6%
				Materials	-10.9%

Top Five Performers (November)	
BROADCOM INC	43.0%
Alphabet Inc - CL A	12.1%
Taiwan Semiconductor ADR	7.0%
Amazon.com INC	5.5%
Apple Inc	5.5%

Bottom Five Performers (November)	
Wolfspeed Inc	-30.5%
Amentum Holdings Inc	-13.6%
Constellation Energy Corp	-12.8%
Waste Management Inc	-11.6%
Elastic NV	-9.5%

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