



CLASS D | USD | HYBRID ACCUMULATION

FOR PROFESSIONAL INVESTORS AND AUTHORISED PROMOTERS ONLY  
31 JULY 2021

KEY FACTS

BLOOMBERG TICKER	OMGIEDH ID
ISIN CODE:	IE00BYMM2054
BENCHMARK:	S&P Developed Large Mid Cap Shari'ah Index
PUBLIC INCEPTION DATE:	12 April 2016
CURRENCY:	USD
FUND SIZE:	\$136m
SUBSCRIPTION SETTLEMENT:	T+1
REDEMPTION SETTLEMENT:	T+3
DOMICILE:	Ireland
STRUCTURE:	Undertaking for Collective Investments in Transferable Securities (UCITS), Open-Ended Investment Company
INVESTMENT MANAGEMENT FEE:	160 basis points (bps)

INVESTMENT DESCRIPTION

The Old Mutual Global Islamic Equity Fund (the Fund) offers investors exposure to a broad spectrum of Developed Market shares. The Fund is a Shari'ah Compliant managed fund and excludes companies whose core business involves dealing in alcohol, gambling, non-halaal foodstuffs or interest-bearing instruments. The Fund adheres to the standards of the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as interpreted by the Shari'ah Supervisory Board. The Fund is suitable for investors seeking an ethical, diversified investment, who have a moderate risk profile in an equity context and a time horizon longer than three years.

INVESTMENT STRATEGY

The Fund aims to provide investors with a valuable source of alternative alpha, along with a low correlation to other equity strategies.

We believe superior investment performance comes from a combination of stock selection and portfolio construction. Our stock selection process seeks to systematically invest in high quality, attractively valued companies with favorable long-term growth prospects. Viewed from a portfolio construction lens, we believe that outperformance can be obtained by actively managing the portfolio's volatility via portfolio construction.



**SALIEGH SALAAM**  
Portfolio Manager



**MAAHIR JAKOET**  
Portfolio Manager

CONTACT DETAILS

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PERFORMANCE AS AT 31/07/2021

Net of Fees Fund Returns

	Fund	Benchmark*	Out/Under-Performance
3 months	5.4%	7.8%	-2.4%
6 months	19.7%	17.0%	2.8%
1 Year	35.3%	35.5%	-0.3%
3 Years	12.1%	20.3%	-8.3%
5 Years	-	-	-
Since Inception	12.1%	19.5%	-7.4%

Source: Old Mutual Investment Group. Returns for periods greater than 1 year are annualised.

RISK STATISTICS AS AT 31/07/2021 - 3 YEARS (ANNUALISED)

Measure	Portfolio	Benchmark
Standard Deviation	18.0%	17.6%
Tracking Error	6.0%	
Beta	1.0%	
Information Ratio	-1.4%	

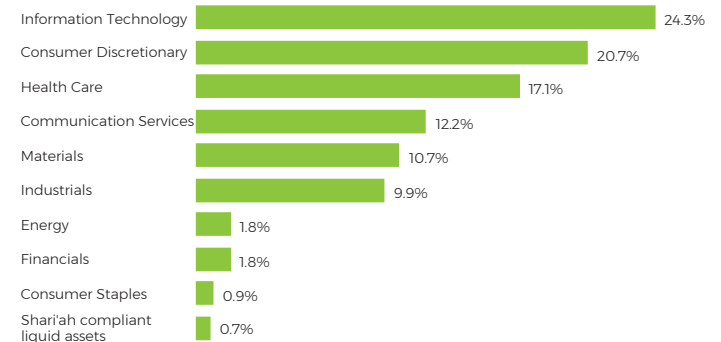
Source: Old Mutual Investment Group

PRINCIPAL EQUITY HOLDINGS AS AT 31/07/2021

COMPANY	LISTED	SECTOR	% OF FUND
Facebook A	United States	Communication Services	5.1%
Alphabet A	United States	Communication Services	5.0%
Applied Materials	United States	Information Technology	3.9%
Novo Nordisk B	Denmark	Health Care	3.9%
Prosus N	Netherlands	Consumer Discretionary	3.6%
Roche Holding Genuss	Switzerland	Health Care	3.1%
Akzo Nobel	Netherlands	Materials	3.0%
Ebay	United States	Consumer Discretionary	2.9%
Autozone	United States	Consumer Discretionary	2.9%
Microsoft Corp	United States	Information Technology	2.6%

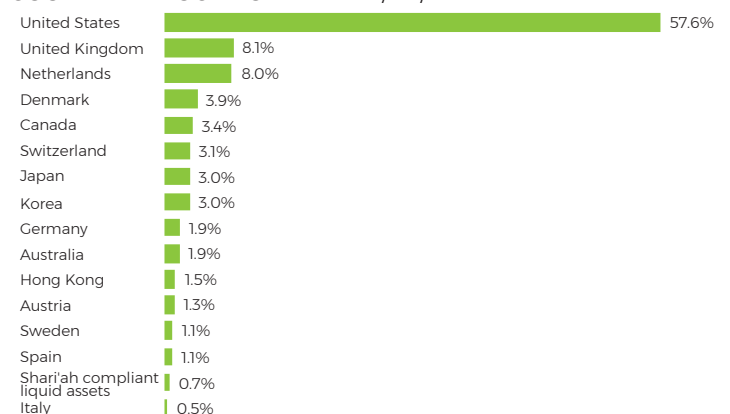
Source: Old Mutual Investment Group

SECTOR ALLOCATION AS AT 31/07/2021



Source: Old Mutual Investment Group

COUNTRY ALLOCATION AS AT 31/07/2021



Source: Old Mutual Investment Group

**QUARTERLY COMMENTARY (30 JUNE 2021)**

The global economy is growing at its fastest pace in decades as Covid-19 vaccinations allow consumers and businesses in an expanding list of countries to return to normal. Buoyed by this normalisation, markets spent the first half of 2021 pricing in better-than-expected economic data. Cyclical stocks and "Covid laggards" rebounded sharply since the vaccine announcement in early November 2020 and into the year, as the normalisation narrative unfolded.

Year to date, European equities outperformed US and emerging market assets, whilst other "risk off" assets underperformed as well.

The first half of the year has not been smooth sailing, as a number of investment themes that drove markets in 2020 reversed course significantly in 2021. Many themes that thrived during the Covid era, especially clean energy, became meaningfully overbought and are now mean reverting. Despite the NASDAQ hitting an all-time high on 22 June, there have been significant declines from their 2021 peaks - e.g. Bitcoin (-48%), SPACs and so-called innovation stocks proxied by Ark Innovation (-20%), copper futures (-16%), silver futures (-12%) and gold futures (-9%).

Against this backdrop, the Old Mutual Global Islamic Equity Fund performed strongly. For the first six months of the year, the fund has outperformed its benchmark by more than 7%.

The single most important question in investing for the second half of the year, is whether high inflation in the US is transitory, as the Fed has indicated in marking a historic shift to higher inflation. How this question is answered with the passage of time will have material implications for the reflation, growth, and value trades. Given the significant outperformance of cyclicals versus defensives, coupled with the sharp pullback in growth stocks, we have reduced our allocation to high-quality cyclicals in favour of selected high-quality secular growers. Prudence is the best approach in these uncertain times. Whilst we can't predict whether the current high levels of inflation are temporary or more permanent, we can prepare and position our portfolios for both outcomes. We believe a singular focus on building a resilient portfolio of high quality, attractively valued shares that can thrive irrespective of whether high inflation is transitory or more permanent, will serve investors well.

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The RIC has its registered office at 78 Sir John Rogerson's Quay, Dublin 2 Ireland.

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