

# Strategies

October 2024

# Concept



We provide opportunities  
for comfortable investments  
in global markets

7

relevant strategies

4

optimal strategy-based  
portfolios

An expanding list of available  
countries: China, UAE, USA,  
and others



# How strategies performed in October

Net return after fees

## consistent result

Money Market USD

↑ 0.4%

Money Market AED

↑ 0.4%

## optimal risk-return ratio

Fixed Income

↓ 3.1%

Balanced

↓ 0.6%

## focus on high return in stocks

Abu Dhabi Falcon

↑ 1.4%

China Technology

↓ 6.3%

Technology Growth

↑ 0.6%

more about our strategies

# How portfolios performed in October



Created portfolios of strategies  
for investors

emphasizing fixed  
income instruments

↓ 0.8%

aiming for a balance  
between different  
asset classes

↓ 1.6%

preferring stocks  
as the portfolio foundation

↓ 1.5%

focusing on stock  
investments

↓ 1.4%

[more about our portfolios](#)

More about  
our strategies



# Consistent result in USD

## Strategy Portfolio

### US Treasury Bills

One of the lowest-risk instruments  
in the stock market

**3.5 months**

duration

**4.5%**

yield to maturity

Start of the month



- The Fed cut the rate by 0.5% in September, yet it remains historically high
- This allows to earn up to 4.5% per annum on bills<sup>1</sup>

<sup>1</sup> Current average yield on 3-month T-Bills as of early October 2024, Bloomberg



End of the month



- The Fed indicated the possibility of further rate cuts
- We are buying Treasury bills while rates remain high

↑ 0.4%

monthly net return

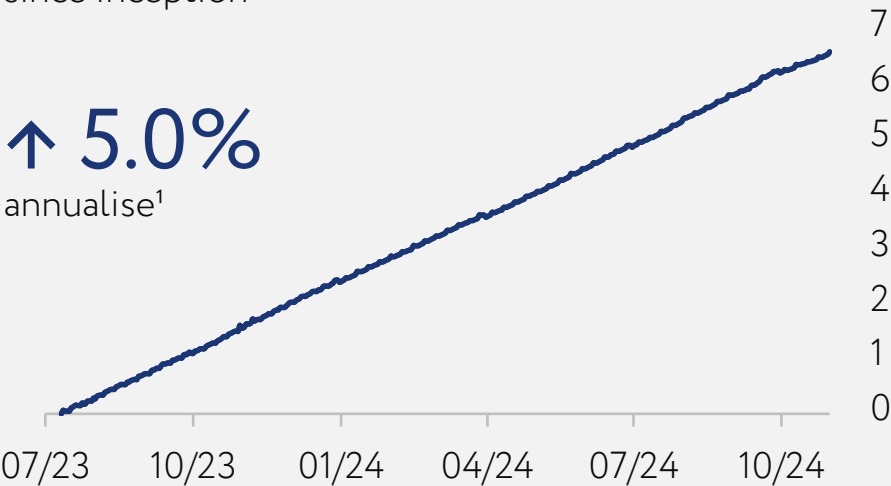
The strategy continues to earn 0.4% per month due to the Fed maintaining historically high rates

↑ 6.6%

since inception<sup>1</sup>

↑ 5.0%

annualise<sup>1</sup>



<sup>1</sup> Net return since the launch of the strategy 11.07.2023



# Consistent result in AED

## Strategy Portfolio

### Deposits

Opening in the largest banks of the UAE

# 1 month

deposit term

# 4.6%

current rate

Start of the month



- The UAE Central Bank's rate remains high at 4.9%<sup>1</sup>





End of the month



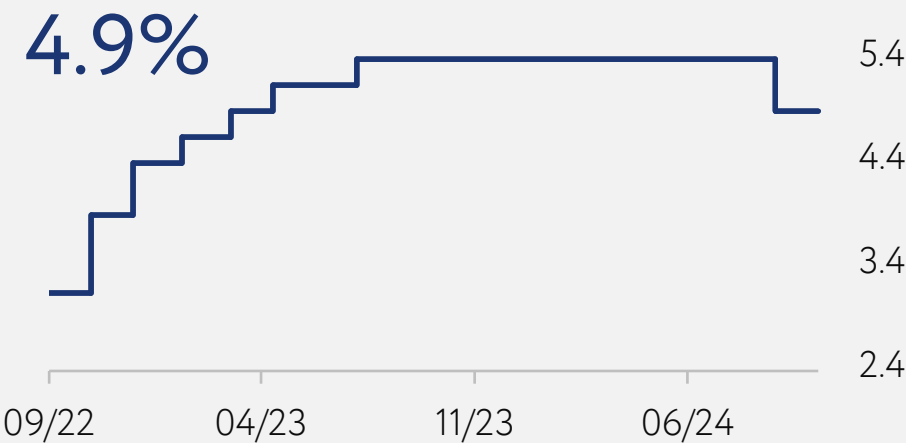
- The deposit rate decreased by 0.1% but remains historically high
- We are using this opportunity and open deposits in UAE banks

↑ 0.4%

monthly net return

The strategy continues to earn 0.4% per month due to historically high rates

UAE Central Bank Rate<sup>1</sup>



<sup>1</sup> Base rate CBUAE



# Fixed Income expertise

## Strategy Portfolio

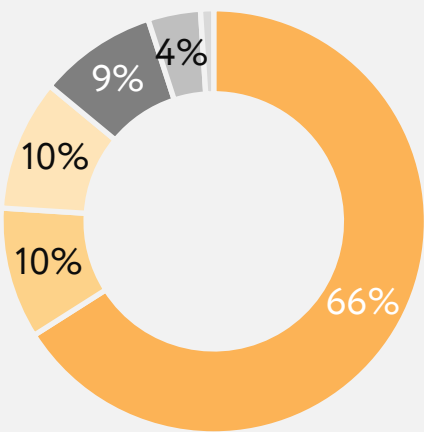
### Bonds

With secure custody primarily in an American depository

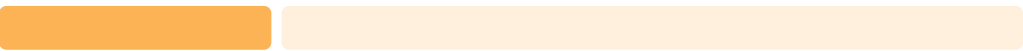
11.7 years  
duration

4.7%  
yield to maturity

- US T-Bonds
- HPE
- J.P. Morgan
- ADNOC
- Shell
- Others



## Start of the month



- Correction in the debt markets due to the release of positive labor market data and the increased likelihood of Trump's victory
- An attractive moment to enter the strategy



End of the month

- We maintain a high duration of 11 years
- 90% of the portfolio consists of high-grade AA rated bonds
- Under conditions of a Fed rate cut, long high-grade bonds can provide investors with the highest returns in the debt market

↓ 3.1%

monthly net return

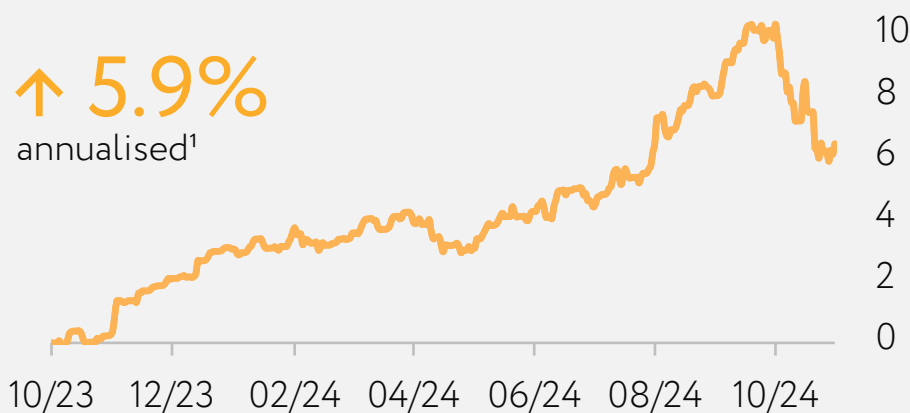
We expect continued growth with a rate cut due to investment grade bonds in the portfolio

↑ 6.5%

since inception<sup>1</sup>

↑ 5.9%

annualised<sup>1</sup>



<sup>1</sup> Net profit since the launch of the strategy 27.09.2023



# Portfolio risk management

## Portfolio strategy

### Major asset classes

Investments using the Risk Parity approach aim for stable results in any economic cycle phase<sup>1</sup>

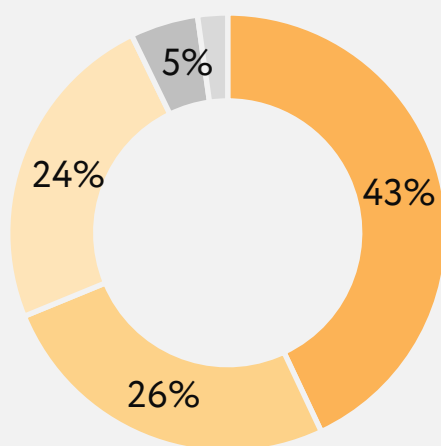
● Bonds

● Stock

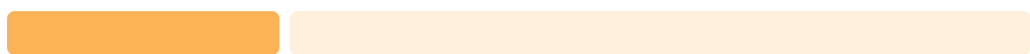
● Inflation protection

● Cryptocurrency

● Cash



## Start of the month



- Increased uncertainty in the global economy is boosting the value of precious metals as safe-haven assets
- Gold, the largest holding in the portfolio, has once again reached new all-time highs

<sup>1</sup> Risk parity is an approach in which the allocation of asset classes in a portfolio depends on their level of risk.



End of the month

- Inflation-hedging instruments showed the best performance, adding +0.6% to the Balanced portfolio's return
- Bitcoin contributed an additional + 0.2% to the strategy's monthly performance

↓ 0.6%

monthly net return

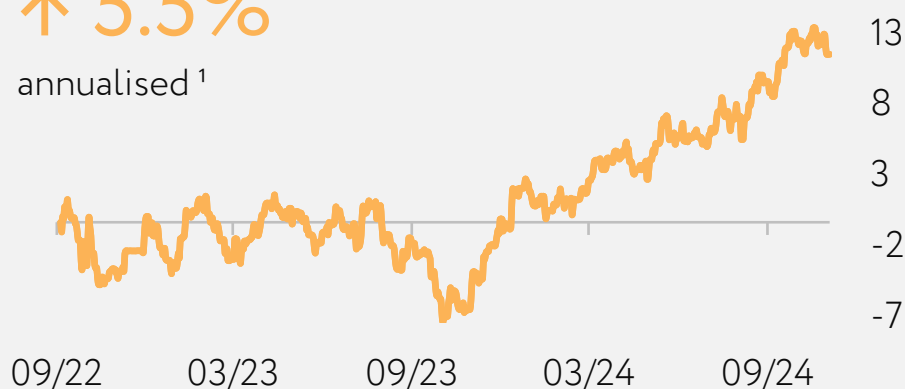
We maintain a conservative positioning: low-risk instruments make up approximately 70% of the portfolio. Nonetheless, we have already achieved our target return for the year, gaining 9.5%.

↑ 12.3%

since inception<sup>1</sup>

↑ 5.5%

annualised<sup>1</sup>



<sup>1</sup> Net return since the launch of the strategy 06.09.2022



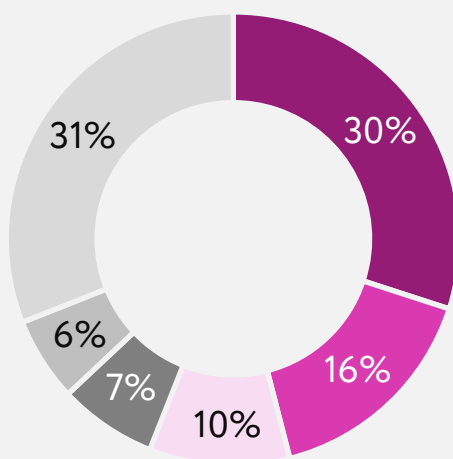
# Economic driver of the Middle East

## Strategy Portfolio

### Stocks on the Abu Dhabi and Dubai exchanges

Portfolio of stocks listed on the Abu Dhabi exchange and IPOs on local exchanges

- IHC
- ADNOC Gas
- FAB
- ADNOC L&S
- ADNOC Drilling
- Others



## Start of the month



- Tensions in the Middle East led to a market correction in Abu Dhabi
- However, this had a minimal impact on our strategy



End of the month

- Despite the correction, the strategy continued to grow, gaining +1.4% vs -1.0% for the Abu Dhabi stock index
- The growth leaders were companies from the 'ADNOC family' (41% of the portfolio): ADNOC L&S +9.7%, ADNOC Drilling +7.2%, Fertiglobe +6.7%

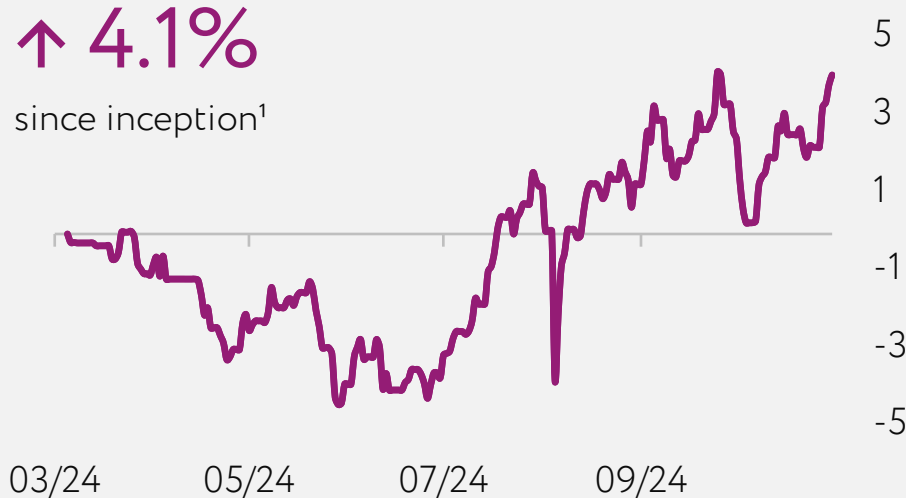
↑ 1.4%

monthly net return

- The largest regional hypermarket chain, Lulu, will conduct the biggest IPO in the UAE this year on November 14
- Strong fundamentals make Lulu a candidate for permanent inclusion in our portfolio

↑ 4.1%

since inception<sup>1</sup>



<sup>1</sup> Net return since the launch of the strategy 05.03.2024

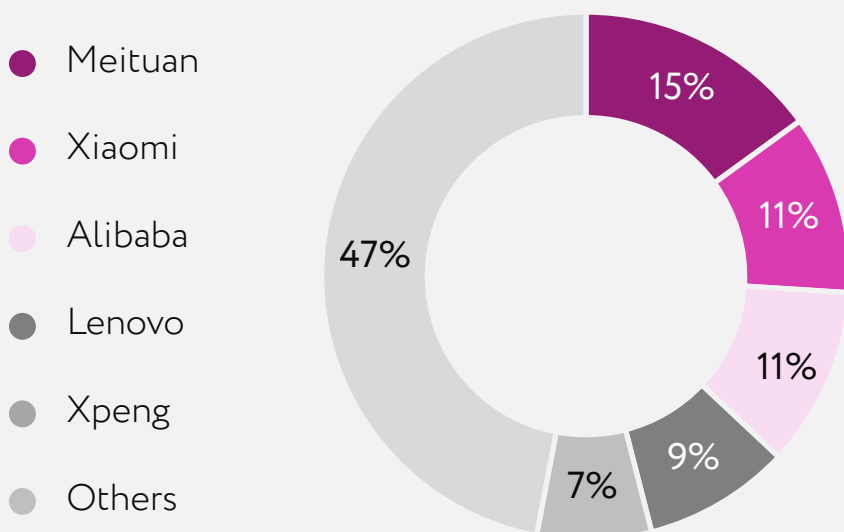


# Investments in Chinese innovations

## Portfolio strategy

### Stocks of Chinese technology companies

With secure custody in Hong Kong



## Start of the month



- The rally in Chinese stocks continued in early October amid investor expectations of new economic stimulus measures





End of the month

- The government has not yet announced stimulus measures, likely postponing them until after the U.S. presidential election results, which led to a correction in the Chinese stock market
- The current correction could be an excellent opportunity for those who missed out on the September rally

↓ 6.3%

monthly net return

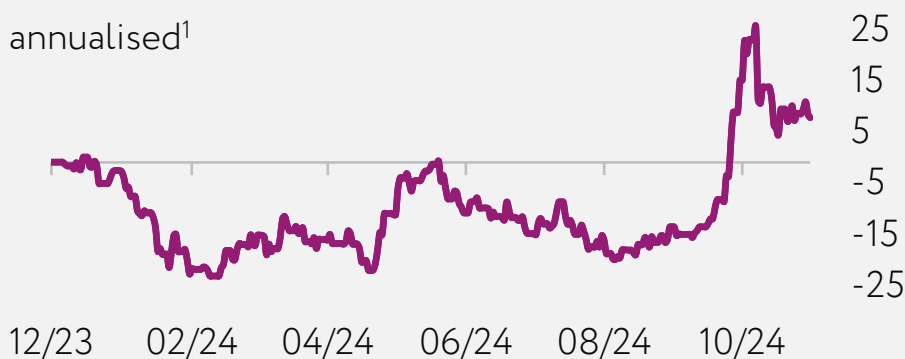
We locked in a profit of +50% by selling Tencent shares. Our new favorites are the beneficiaries of stimulus measures, such as JD.com and Kuaishou

↑ 8.8%

since inception<sup>1</sup>

↑ 9.5%

annualised<sup>1</sup>



<sup>1</sup> Net income since the launch of the strategy 11/29/2023



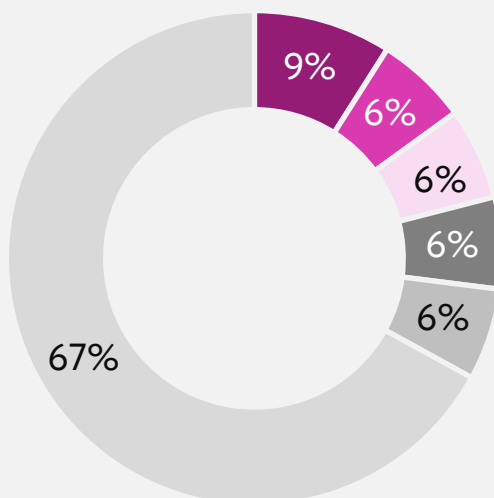
# Sector with high potential growth

## Portfolio strategy

### Technology sector stocks

Shares of growth companies

- Marvell
- AMD
- Nvidia
- Uber
- Square
- Others



## Start of the month



## We profited from tactical stock ideas:

- Zeekr shares rose by 50%
- While Nebius shares delivered a 20% return since being added to the portfolio and continue to show growth potential
- We included a short position on the Dow Jones index in the portfolio to hedge against pre-election volatility risk



## End of the month



At the end of the month, the strategy showed a gain of +0.6%, despite pressure from the U.S. elections, which led to declines in the NASDAQ and S&P 500 indices by -1%.The strategy is positioned for further growth:

- A combination of strong quarterly earnings reports and stock market correction creates a good entry opportunity for long-term investors
- In the U.S., the strongest seasonal period for stocks is beginning

↑ 0.6%

monthly net return

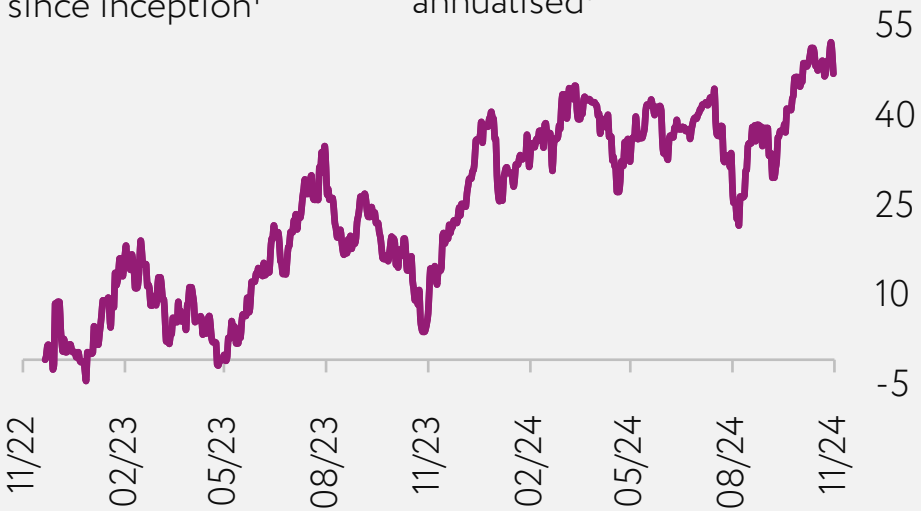
The strategy continues to grow

↑ 47.8%

since inception<sup>1</sup>

↑ 22.1%

annualised<sup>1</sup>



<sup>1</sup> Net return since the launch of the strategy 17.11.2022

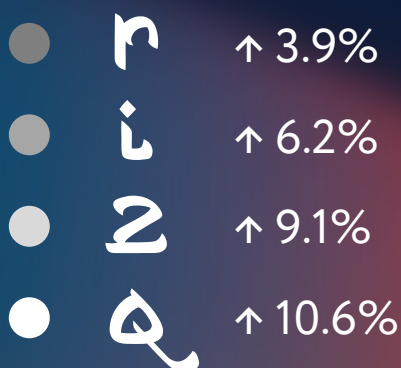
More about  
our portfolios



# rizq

The Arabic word رزق (rizq) means blessing, gift, prosperity, happiness, growth and material well-being

## Net return of portfolios



# Portfolio Structure

Focus on fixed income instruments

Entry from  
\$2 million



7.3%

expected annual return<sup>1</sup>

4.3%

expected risk<sup>2</sup>



<sup>1</sup> Estimation of the portfolio manager considering the analysis of assets value growth potential and the current market situation

<sup>2</sup> Evaluation of the portfolio manager based on indicators of 5-year historical volatility according to Bloomberg data

# Portfolio Structure

Balance between different asset classes

Entry from \$2 million



9.4%

expected annual return<sup>1</sup>

9.1%

expected risk<sup>2</sup>

Money Market USD	<div></div>	15%
Fixed Income	<div></div>	35%
Balanced	<div></div>	20%
Technology Growth	<div></div>	10%
Abu Dhabi Falcon	<div></div>	10%
China Technology	<div></div>	10%

<sup>1</sup> Estimation of the portfolio manager considering the analysis of assets value growth potential and the current market situation

<sup>2</sup> Evaluation of the portfolio manager based on indicators of 5-year historical volatility according to Bloomberg data

# Portfolio Structure



Emphasis on equities in the portfolio

Entry from \$2 million



# 11.3%

expected annual return<sup>1</sup>

# 14.0%

expected risk<sup>2</sup>

Money Market USD	<div></div>	10%
Fixed Income	<div></div>	20%
Balanced	<div></div>	10%
Technology Growth	<div></div>	20%
Abu Dhabi Falcon	<div></div>	20%
China Technology	<div></div>	20%

<sup>1</sup> Estimation of the portfolio manager considering the analysis of assets value growth potential and the current market situation

<sup>2</sup> Evaluation of the portfolio manager based on indicators of 5-year historical volatility according to Bloomberg data



# Portfolio Structure

Focus on investing in stocks

Entry from \$2 million



12.2%

expected annual return<sup>1</sup>

16.7%

expected risk<sup>2</sup>

Money Market USD	<div></div>	10%
Fixed Income	<div></div>	10%
Balanced	<div></div>	5%
Technology Growth	<div></div>	25%
Abu Dhabi Falcon	<div></div>	25%
China Technology	<div></div>	25%

<sup>1</sup> Estimation of the portfolio manager considering the analysis of assets value growth potential and the current market situation

<sup>2</sup> Evaluation of the portfolio manager based on indicators of 5-year historical volatility according to Bloomberg data

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