**Halal Screening Methodology**

* **Shariah Compliance:** The SP Funds S&P World (ex-US) ETF (SPWO) adheres to Islamic investment principles by tracking the **S&P Developed Markets (DM) Ex-U.S. & Emerging Markets (EM) 50/50 Shariah Index**. This index is designed to measure the performance of Shariah-compliant companies located in developed and emerging markets outside the United States. The index excludes companies involved in non-compliant activities such as gambling, alcohol, tobacco, and other sectors prohibited under Shariah law. Additionally, it applies financial screens to ensure companies have acceptable levels of leverage and income derived from non-compliant activities.
* **Shariah Advisory:** The index provider has contracted with [**Ratings Intelligence Partners LLP**](https://www.ratingsintelligence.com/), a London/Kuwait-based consulting company specializing in solutions for the global Islamic investment market. RI's team of qualified Islamic researchers works directly with a Shariah Supervisory Board, a panel of Islamic scholars responsible for interpreting business issues and recommending actions related to business decisions for the indices.

**Overall Thoughts on SP Funds S&P World (ex-US) ETF (SPWO)**

* **Expense Ratio:** SPWO has a management fee of 0.45%, which is competitive among global Shariah-compliant ETFs.
* **Global Market Exposure:** The fund offers Shariah-compliant exposure to both developed and emerging markets worldwide, excluding the United States. As of December 20, 2023, the index comprises 500 constituent companies from 42 different countries, with an average market capitalization of approximately $14 billion USD.
* **Performance Snapshot:** As of February 24, 2025, SPWO is trading at $23.50.

**Comparison to Other Halal ETFs**

**SP Funds S&P 500 Sharia Industry Exclusions ETF (SPUS)**

* **Focus:** U.S. equities
* **Expense Ratio:** 0.49%
* **Risk:** Lower volatility due to investment in large-cap U.S. companies but with less geographic diversification compared to SPWO.
* **Performance:** As of February 22, 2025, SPUS is trading at $43.19.

**Wahed FTSE USA Shariah ETF (HLAL)**

* **Focus:** U.S. equities with a Shariah-compliant approach
* **Expense Ratio:** 0.50%
* **Risk:** Moderate volatility with a focus on U.S. growth stocks, particularly in technology and healthcare sectors.
* **Performance:** Trading at $53.29, HLAL has shown consistent growth, benefiting from U.S. market stability but lacks international exposure.

**iShares MSCI USA Islamic UCITS ETF (ISDU.L)**

* **Focus:** U.S. equities
* **Expense Ratio:** 0.30%
* **Risk:** Lower volatility with exposure to U.S. companies, offering less geographic diversification compared to SPWO.
* **Performance:** As of February 21, 2025, ISDU.L has a net asset value (NAV) of USD 72.98, reflecting a year-to-date return of 1.70%.

**Key Takeaway**

SPWO provides investors with a Shariah-compliant investment option focused on global markets outside the United States, offering exposure to a diverse range of companies across developed and emerging economies. With a competitive expense ratio and broad geographic diversification, SPWO is suitable for investors seeking international exposure aligned with Islamic principles. Compared to U.S.-focused ETFs like SPUS, HLAL, and ISDU.L, SPWO offers broader market coverage, which can help mitigate region-specific risks.

*Please note that past performance does not guarantee future results. It's advisable to consult with a financial advisor to ensure alignment with your individual investment objectives and risk profile.*