

# Income Fund

## Fund Overview

The Fund is a compartment of BLME Sharia'a Umbrella Fund SICAV-SIF. The Fund aims to target a net return equivalent to 3 month \$ ICE LIBOR +1% per annum by investing in short term Islamic money market instruments, sukuk and Ijara.

The Fund's primary purpose is to provide investors with a solution for short term liquidity and offers daily dealing.

## Commentary

There were a few hawkish comments from the Federal Reserve this month, at least hawkish relative to market estimates, which show implied probabilities of a rate hike only increasing towards the end of the year. The Federal Reserve seemed to be concerned that the market is currently too dovish.

US benchmark yields remained fairly low, with the 10yr US Treasury at 1.8%, which helped Sukuk issuers print a flurry of deals before Ramadan and the summer lull. DP World, Emirates Islamic Bank, and Noor Bank all issued Sukuk in the public market.

The return on the Income Fund was flat to marginally down over the month but remains ahead of 3 month USD LIBOR for the year to date. The defensive strategy has been maintained as market uncertainty surrounding the next Federal Reserve move and the UK referendum on EU membership rises.

## Ratings and Awards

- Credit rating of 'A' from Moody's
- 2013 & 2014 'Best Islamic Asset Manager in Europe' by Islamic Finance News



## Key Indicators

Modified Duration	1.28 years
Standard Deviation (1 year)	1.910%
Average Credit Quality	A (Moody's)
Yield to Maturity	1.55%
Number of Exposures	23

## Performance Summary (Net of Fees)

to 31 <sup>st</sup> May 2016	1 month	3 months	YTD	12 months	3 years (Annualised)	5 years (Annualised)	Since inception *** (Annualised)
Class A Shares	-0.01%	0.19%	0.46%	0.02%	0.55%	1.19%	1.94%
Class B Shares	0.01%	0.22%	0.52%	0.15%	0.68%	1.31%	2.10%
Class C Shares	-0.03%	0.12%	0.36%	-0.23%			0.21%
Class D Shares *	-0.01%	0.19%	0.47%	0.03%			0.51%
Class G Shares	0.00%	0.14%	0.55%	0.21%	0.79%		1.55%
Class M Shares	-0.10%	-0.10%	0.01%	-0.75%	0.14%		0.25%
Class V/W Shares * **	0.16%	0.61%	1.18%	1.95%			2.89%
Benchmark: 3m USD ICE LIBOR	0.04%	0.15%	0.25%	0.46%	0.32%	0.35%	0.34%
Target: 3m USD ICE LIBOR +1%	0.11%	0.38%	0.65%	1.47%	1.33%	1.37%	1.36%

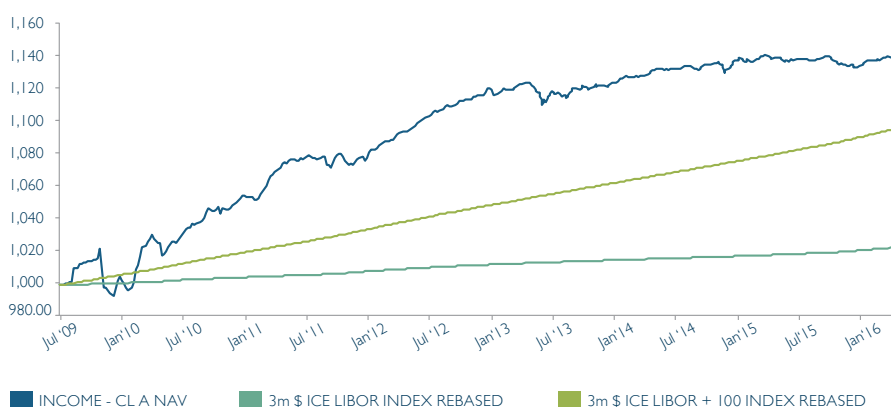
\* Total return, adjusted for dividend payments

\*\* Continuous performance shown for Classes V/W

\*\*\* See "Share Class Details" section on page 2 for inception date

## Performance Chart

Source: BLME and Bloomberg

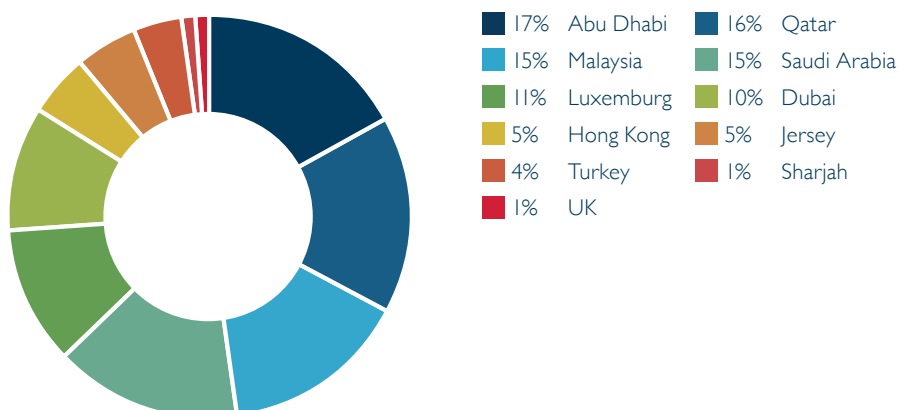


## Key Details

Assets under management	\$67,037,411
Launch Date	17 March 2009 (Class B)
Domicile	Luxembourg
Fund Type	SICAV-SIF
Benchmark	3 month \$ ICE LIBOR
Term	Open-ended
Dealing Frequency	Daily (Luxembourg and UK business days)
Valuation Frequency	Daily (Luxembourg and UK business days)
Distribution Frequency	Quarterly
Investment Manager	Bank of London and The Middle East plc
Portfolio Managers	Jason Kabel (Lead) Jamil Mufti
Custodian	Banque et Caisse d'Epargne de l'Etat
Administrator	European Fund Administration
Sharia'a Board	Dr. Abdulaziz Al-Qassar Dr. Esam Al-Enazi

# Income Fund

## Geographic Exposures (%)



## Top 10 Exposures (%)

Cash at Custodian (BCEE)	12
Qatar Government Sukuk	7
IDB Trust Services	7
Hong Kong Government	5
HSBC Bank Plc	5
Abu Dhabi Commercial Bank	5
Qatar International Islamic Bank	5
Abu Dhabi Islamic Bank	5
Malaysian Government Sukuk	5
Saudi Electricity Company	4

## Asset Allocation (%)

Sukuk (Maturity less than 1 year)	40
Sukuk (Maturity over 1 year)	48
Cash	12

## Share Class Details

BLME only lists active share classes

Share Class	Currency	Distribution Class	Inception date	ISIN	Bloomberg	Management Fee (%)	NAV / Share
Class A	USD	Accumulation	28/07/09	LU0399820991	SHARIUS LX	0.50%	\$1,140.52
Class B	USD	Accumulation	17/03/09	LU0399821023	SHARIUB LX	0.38%	\$1,161.86
Class C	USD	Accumulation	03/05/13	LU0399821296	SHARIUC LX	0.75%	\$1,006.59
Class D	USD	Income	23/04/14	LU0399821379	SHARUID LX	0.50%	\$998.46
Class G	GBP	Accumulation	19/04/11	LU0608758396	SHARIUG LX	0.50%	£1,081.77
Class M	EUR	Accumulation	27/11/12	LU0608759287	SHARIUM LX	0.50%	€1,008.84
Class W	AUD	Income	23/01/15	LU0773214621	SHARUWI LX	0.38%	AUD 1,037.74

## Contact Details

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