

# FUNDFACTS

OASIS CRESCENT



GLOBAL INVESTMENT FUNDS (UK) ICVC

MANAGED BY OASIS CRESCENT WEALTH (UK) LTD.

## OASIS CRESCENT GLOBAL LOW EQUITY FUND

▲ QUARTER 2 2022

|                     |                  |                                   |                  |
|---------------------|------------------|-----------------------------------|------------------|
| <b>Fund Manager</b> | Adam Ebrahim     | <b>Min. Initial Investment</b>    | GBP 5,000        |
| <b>Launch Date</b>  | 11 December 2020 | <b>Min. Additional Investment</b> | GBP 1,000        |
| <b>Risk Profile</b> | Low to Medium    | <b>Fund Size</b>                  | GBP 20.1 million |
| <b>Benchmark</b>    | OECD Inflation   | <b>Total Expense Ratio</b>        | 1.30%            |

The Oasis Crescent Global Low Equity Fund (OCGLEF) is a specialist, worldwide asset allocation portfolio. The objective of the fund is to achieve medium to long-term growth of capital and income by investing on a global basis in securities that are ethically, morally and Shari'ah compliant. This objective is to be achieved by investing the Sub-Fund's Net Assets in a broadly diversified and balanced mixture of global securities. The range of investments will be allocated in the asset classes of equity, property and income.

### Cumulative Returns

| Cumulative Returns                    | Apr-Dec 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017  | 2018  | 2019 | 2020  | 2021 | YTD Jun 2022 | Return Since Inception |            |
|---------------------------------------|--------------|------|------|------|------|------|-------|-------|------|-------|------|--------------|------------------------|------------|
|                                       |              |      |      |      |      |      |       |       |      |       |      |              | Cumulative             | Annualised |
| Oasis Crescent Global Low Equity Fund | 4.0          | 4.8  | 7.8  | 14.9 | 2.5  | 22.4 | (4.5) | (2.3) | 7.0  | (1.2) | 9.9  | 0.5          | 84.7                   | 5.6        |
| OECD Inflation                        | 2.1          | 1.8  | 1.4  | 1.6  | 0.7  | 1.4  | 2.4   | 2.8   | 1.8  | 1.2   | 5.9  | 6.5          | 33.7                   | 2.6        |

The Fund was launched following Oasis Crescent Global Low Equity Balanced Fund's ("OCGLEBF") merger with the Fund on 11 December 2020.

Returns in GBP, Net-of-Fees, Gross of Non Permissible Income of the OCGLEF since inception to 30 June 2022.

NPI for the 12 months to June 2022 was less than 0.01%.

(Source: Oasis Research using Bloomberg & www.oecd.org: April 2011 – June 2022)

Note: OECD Benchmark lags by 1 month.

### Annualised Returns

| Annualised Returns                    | % Growth 1 year | % Growth 3 year | % Growth 5 year | % Growth 7 year | % Growth 10 year | Return Since Inception |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------------|
|                                       |                 |                 |                 |                 |                  | Annualised             |
| Oasis Crescent Global Low Equity Fund | 5.5             | 3.5             | 2.6             | 4.6             | 5.6              | 5.6                    |
| OECD Inflation                        | 9.7             | 4.7             | 3.8             | 3.1             | 2.6              | 2.6                    |

Performance (% returns) in GBP, Net of Fees, Gross of Non Permissible Income of the OCGLEF since inception to 30 June 2022

(Source: Oasis Research using Bloomberg & www.oecd.org: April 2011 - June 2022)

Note: OECD Inflation benchmark lags by 1 month.

### Asset Allocation

| Asset Allocation | June 2022  |
|------------------|------------|
|                  | OCGLEF %   |
| Income           | 48         |
| Equity           | 40         |
| Property         | 12         |
| <b>Total</b>     | <b>100</b> |

Asset Allocation of the OCGLEF (30 June 2022)

(Source: Oasis Research: June 2022)

Performance is indicative only and for the period from inception to October 2016, is based on the Class D (USD) Shares (Dist). It has been converted to GBP on a monthly basis using the closing GBP/USD exchange rate as published by Bloomberg. A pound sterling class was launched on 15 May 2012, and from November 2016 performance is based on the Class E (GBP) Shares (Dist). Past performance is not indicative of future returns.

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## Fund Manager Comments

The global economic outlook has become much more challenging over H1 2022. A number of factors are responsible for the loss of economic growth momentum such as a significant increase in inflation, driven by surging energy and food costs, faster than expected withdrawal of monetary policy by the Federal Reserve, continuing conflict between Ukraine and Russia and extremely restrictive and disruptive lockdowns of key Chinese cities as they grappled with a 4th COVID-19 infection wave. In its April 2022 World Economic Outlook (WEO) update, the IMF lowered its forecast for global GDP growth this year sharply by 0.8% to 3.6%. This followed a downgrade of 0.5% in its January 2022 update. The IMF's global GDP forecast for 2022 is still somewhat higher than the average annual growth rate of the global economy over the period 2010 to 2019 of 3.1%. However, the growing challenge for central banks, looking to tame inflationary pressures, is that the war in Ukraine is massively boosting energy and food inflation even further, sapping consumer and business confidence. Rising costs of borrowing will also contribute to a slowdown in global activity over the remainder of the year. A stagflationary economic environment (stagnant growth, high inflation), is a lose-lose from a monetary policy perspective as any interest rate hikes by central banks to reduce inflation, would have an adverse influence over economic growth outcomes. Factors that could boost global growth are: 1) cessation of war in Ukraine; 2) significant increase in OPEC oil production lowering oil prices; 3) central bank monetary policy turning more accommodative; 4) drawdown on massive build-up in consumer savings; 5) recovery in financial markets after sharp correction over Q2 2022; 6) pent-up demand, particularly in leisure and travel sectors. Factors that could constrain global growth are: 1) sustained high inflation; 2) an even faster-than-expected reversal of monetary and fiscal support; 3) constrained global supply chains; 4) increased geopolitical tension.

Global stock markets have come under significant pressure during H1 2022 with central bank monetary tightening combined with fading fiscal stimulus contributing to a decline in market liquidity and increasing market volatility. It has been a volatile quarter for Global stock markets due to significant increases in inflation, faster than expected withdrawal of monetary policy and the ongoing war in the Ukraine. A more volatile environment is suitable for the Oasis philosophy which is focused on selecting high quality companies that are priced below intrinsic value and this environment provides attractive opportunities for the implementation of our philosophy. Your portfolio is focused on companies with market leadership, strong competitive advantages, sustainability, outstanding management, delivering high levels of profitability and cash flow and priced below intrinsic value.

Development activity has remained subdued curtailing new property supply and we have seen an improving environment for property owners. Your fund is well diversified with exposure to a number of sectors that benefit from the 4th Industrial Revolution and COVID-19 including Logistics, Datacenters, Storage and Medical Research. There are also a number of sectors that benefit from other secular drivers including Ageing (Seniors Housing) and Onshoring (Industrial). OCGPEF is well positioned due to its focus on REITS with positive secular demand drivers, strong management teams and superior balance sheets.

In late 2021, the world's key central banks quickly pivoted toward more restrictive monetary policy after the current inflation surge, which began in early 2021, turned out to be much more persistent than they had previously thought. In June 2022, the Federal Reserve increased the Fed Funds rate by 0.75% to 1.5%. Against the backdrop of the surge in U.S. inflation to 9.1% in June, the FOMC is now signalling to markets that the Fed Funds policy rate could reach 3.5% by year end. This implies a further +200bp of rate hikes over H2 2022 which could be a material headwind to economic growth. The slope of the yield curve between the 2 year and 10 year bond yields has moved into negative territory which has historically been a strong predictor of potential economic recession. June also marked the start of the Federal Reserve's programme to reduce the size of its \$9tn balance sheet which had been massively increased by its quantitative easing as it deployed a monetary policy bazooka to support the US economy in the aftermath of the COVID-19 outbreak in March 2020. As a result, global bond markets have been under significant pressure this year. The Federal Reserve has not been alone in quickly tightening its monetary policy in response to surging inflation. In June, the Bank of England increased the repo rate 0.25% to 1.25%, the fifth consecutive meeting hike. The European Central bank also recently charted a more hawkish monetary policy stance, signalling a 0.25% rate hike at the July meeting with a likely follow up in September as well as a suspension of its quantitative easing programme by mid-year.

Sources: Oasis Research, Bloomberg statistics, IMF World Economic Outlook

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### Contact us :

Oasis Crescent Wealth (UK) Ltd.

Authorised and approved by the Financial Conduct

Authority as the Authorised Corporate Director of the

Fund.

Contact details:

3rd Floor, 50 Hans Crescent, Knightsbridge, London,

SW 1X 0NA, United Kingdom

Tel: +44 (0) 207 590 0550

Fax: +44 (0) 207 590 0555

Email: info@oasiscrescent.co.uk

www.oasiscrescent.co.uk

### Disclaimer :

UK Undertakings for Collective Investments in Transferable Securities (UCITS) are generally medium to long term investments. Past performance is not indicative of future returns.

**Warning: The value of your investment may go down as well as up and past performance is not a reliable guide to future performance.**

Deductions for charges and expenses are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period.

A schedule of fees and charges is available from Oasis Crescent Wealth (UK) Ltd. ("the Authorised Corporate Director" or "ACD") on request. Portfolios are valued at 08h00 daily using the previous day's prices as at 22h00 GMT. All necessary documentation must be received before 14h00. Investments are made globally across a number of countries and currencies.

**Warning: This product may be affected by changes in currency exchange rates.**

Prices are calculated on a net asset value basis which is the total value of all assets in the Oasis Crescent Global Low Equity Fund, a "Sub-Fund" of Oasis Crescent Global Investment Funds (UK) ICVC (the "Fund"), Registration Number : IC030383, including any income accruals and less any permissible deductions from the Sub-Fund which may include but not be limited to auditors fees, bank charges, custodian fees, management fees and investment advisory fees. UCITS can engage in borrowing and scrip lending and may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity.

**Warning: The income that an investor may get from an investment may go down as well as up.**

The ACD is authorised and regulated by the Financial Conduct Authority. The Fund and the Sub-Fund are regulated by the Financial Conduct Authority and is managed by the ACD in accordance with the UK UCITS Regulations. Performance figures quoted are from Oasis Research and Bloomberg for the period ending 30 June 2022 for lump sum investment, using NAV-NAV prices with income distributions reinvested. Returns may vary depending on the actual date of investment and the actual date of reinvestment of income. The Key Investor Information Documents or a full Prospectus are available on request from the ACD and Oasis Crescent Management Company Ltd. The Sub-Fund is registered with the Financial Sector Conduct Authority for distribution in South Africa, the Swiss Financial Markets Supervisory Authority for distribution in Switzerland and the Monetary Authority of Singapore for distribution in Singapore. The Sub-Fund has a Total Expense Ratio (TER) of 1.30%, which is the average Net Asset Value of the portfolio incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The ratio does not include transaction costs. The current TER cannot be regarded as an indication of future TERs. Full details and basis of accolades received are available from the ACD and Oasis Crescent Management Company Ltd. All information and opinions provided are of a general nature and the document contains no express or implied recommendation, warranty, guidance, advice or proposal that the Sub-Fund is appropriate to the investment objectives, financial situation or needs of any individual or entity. All data and information (unless otherwise stated) is as at 30 June 2022.