

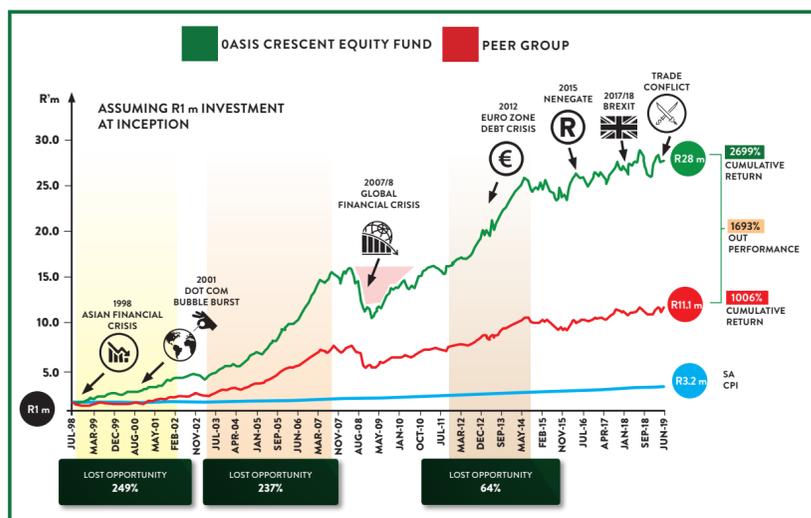
## VIEW FROM OUR CEO



The Oasis Crescent Equity Fund (OCEF) was launched in July 1998 as one of the first ethical investment products to fulfil the needs of investors in South Africa. As a trendsetter, it was the catalyst for the evolution of the regulatory landscape, by providing the legislative framework that contributed to the expansion of the ethical investment industry in the country at large. The objective at Oasis was to develop a product ecosystem that complied with international best practice from both a regulatory and Shari'ah governance perspective. This was achieved by incorporating the highest global standards of investment administration from the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and by selecting a Shari'ah board comprising of the most experienced and eminent global scholars from across the world. The success of the fund led to the development of an end to end global wealth management solution comprising of a spectrum of pre- and post-retirement products, including mutual funds, tax free savings and endowment products, to meet the needs of a diverse client base. This also provided clients with a fully integrated solution to benefit from currency, geographical and asset class diversification through a singular service offering.

As an innovative fund, the Oasis Crescent Equity Fund set the benchmark for the investment industry and remains the largest Shari'ah compliant equity fund in South Africa and globally. It has been the recipient of multiple local and international awards and its goal of protecting and growing the real wealth of its clients, has remained unchanged. The investment philosophy underpinning this vision is centred on offering a low volatility approach to wealth creation, based on a long term investment horizon that incorporated the now contemporary elements of Environmental, Social and Governance (ESG) considerations in its share selection process. The hallmark of this philosophy has been to provide a greater downside protection compared to its peers, by actively investing in great companies with low debt on their balance sheets and strong cash flows, which can deliver sustainable returns throughout different market cycles.

The consistency of this investment philosophy over the last 21 years through multiple global economic and political events has resulted in a measurable improvement in the wealth of investors. During the Asian Financial Crisis of 1998, the Dotcom bubble in 2001, and subsequent Global Financial Crisis in 2008/9, the fund recovered sharply compared to its peers, as illustrated in the graph below. Most recently, global markets have been impacted by the volatility of Brexit and ongoing trade conflict between the USA and China. Despite these, the outperformance accrued to those who remained invested since inception, has been 1 693%. An investment of R1 million into the Oasis Crescent Equity Fund in 1998 is worth R28 million today compared to a return of R11.1 million from the average Shari'ah Equity fund and a minimum required value of R3.2 million to stay even with inflation<sup>2</sup>. The initial investment has thus outperformed its peers by R16.9 million and inflation by R24.8 million<sup>3</sup>.



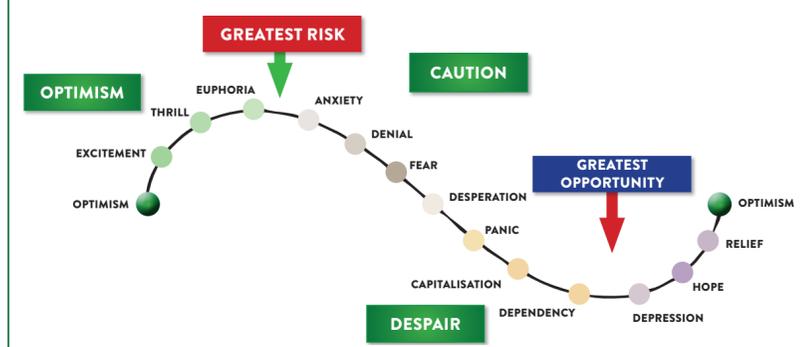
Source: Performance (% returns) in Rand, net of fees, gross of non-permissible income of the Oasis Crescent Equity Fund since inception to 30 June 2019 (Source: Oasis Research; Morningstar Direct; Bloomberg)

The objective of our flagship fund in South Africa has always been to provide long term wealth creation, offering lower levels of volatility than its peers. And likewise, our global flagship fund, the Oasis Crescent Global Equity Fund and its global counterpart available for distribution in the UK, is also managed with this objective. Over time, there have been numerous market-moving events, at times scaring investors into the assumed safety of bank deposits. Very often however, it is at these times when equity market returns recover to their highest levels. As shown in the previous graph, if a client had been invested in the Oasis Crescent Equity Fund and sold their investment after the Asian Financial Crisis of 1998, they would have missed an opportunity to grow their wealth by 249%<sup>4</sup> in the three years that followed. Similarly, if they had stayed invested in OCEF through the Global Financial Crisis, they would have grown their real wealth by 64%<sup>5</sup>.

It is clear that by selling your investment when markets experience a large negative movement, you may miss out of an opportunity to grow their wealth, as these are often the periods when equity markets are most attractive. Staying invested through the market cycle can therefore prove to be one of the most effective ways to build your wealth over the long term. During market cycles, investors typically experience a mix of emotions, driven by cognitive biases that result in actions that may not be in the investor's best interest. Your financial advisor would play a key role in ensuring that your investment decisions are based on your original objectives and not driven by fear or greed.

Oasis combines its disciplined, strategic approach to investing with deep industry experience and focused leadership to allow us to deliver sound investment plans that meet the unique needs of our investors. Our approach of ensuring downside capital protection, a hallmark of all our portfolios, has resulted in the fund being able to minimize losses when markets are weak and/or volatile which is particularly relevant to long term portfolios that are designed to nurture a degree of consistency in performance over time.

## CYCLE OF MARKET EMOTIONS



Source: <https://www.stlouistrust.com/late-cycle-investing/>

Staying invested throughout the market cycle can prove to be one of the most effective ways of improving your standard of living over time. You will experience times of expansion as well as contraction, but never be fearful of downward cycles nor make decisions based on being scared. Withdrawing money in a downward cycle is not advisable as you are not allowing for the opportunity of recovery, resulting in a loss of capital.

## OCAS UK Travel

During the month of August, will be travelling to the following areas:

DATE	AREA
22 <sup>nd</sup> - 26 <sup>th</sup>	Bradford, Blackburn, Manchester

## IN THE NEWS



Over the past month, a number of Oasis clients departed to the holy cities of Mecca and Madina to perform their obligatory Hajj. We wish them and all pilgrims the very best with this sacred journey and pray that they fulfil all their duties of this holy undertaking and return home safely to their loved ones. We also take this opportunity to extend our warmest Eid-ul-Adha greetings to all Muslims around the world who will celebrate this blessed occasion. May this be a time of peace, understanding and contentment for us all.

## UK ECONOMY

Oasis has been at the forefront of ethically compliant investing since the launch of the flagship Oasis Crescent Equity Fund in that market. The unprecedented success of the fund primed the stage for the introduction of a global suite of Oasis investment products that attracted international attention. These products have provided investors with a unique opportunity to participate in an ecosystem of diversified investment options that are structured to meet their medium and long-term investment goals in an ethical and socially responsible manner.

In 2012, Oasis established its formal presence in the United Kingdom when it opened its offices in Knightsbridge, London, to address the needs of the UK retail market. Access to the Oasis funds had previously only been available through the Wealth Management Platforms of some of the world's leading financial institutions, however the local footprint now provides a platform for retail clients to access the diversified range of wealth management products, and benefit from having tailor-made investment advice offered by highly skilled and specialized Oasis financial advisors. In addition, the Oasis suite of products are available directly or via an expanding pool of Independent Financial Advisors or through our platform providers that include; Citibank, Transact, FundsNetwork, Hargreaves Lansdown and James Brearley & Sons.

## FINANCIAL ADVISORY

At Oasis our value proposition focuses on the highest quality of service and wealth creation. This ties in with our investment philosophy of protecting and growing your capital over the long term. Our approach is driven by strong downside protection where we identify quality stocks that protect your investment during adverse market conditions.

An investor's investment decisions are guided by their individual goals, risk tolerance and future needs for capital. Investors that employ long-term strategies would often experience greater wealth creation over an extended period of time. In the UK we have a comprehensive range of mutual funds that are well diversified, efficient, flexible, transparent and managed according to statutory requirements. Each of the Oasis Crescent Global Investment Funds are designed for a specified investment objective. For clients looking to invest for a longer term time horizon, we have the Oasis Crescent Global Equity Fund and Oasis Crescent Global Property Equity Fund. For the medium to long term investor we have the Oasis Crescent Global Medium Equity Balanced Fund, Oasis Crescent Global Low Equity Balanced Fund, Oasis Crescent Variable Balanced Fund and the Oasis Crescent Global Income Fund. For client with short term objective we have the Oasis Crescent Global Short Term Income Fund I. A continuous short-term mind set may be costly as under investment in valuable long-term positions could lead to the destruction of potential wealth creation and failure to exploit inefficiencies in the market, which staying invested through the cycle would offer.

1. Oasis Research; Morningstar Direct; Bloomberg 2. Oasis Research; Morningstar Direct; Bloomberg 3. Oasis Research; Morningstar Direct; Bloomberg 4. Oasis Research; Morningstar Direct; Bloomberg 5. Oasis Research; Morningstar Direct; Bloomberg

