



**BB Global Islamic**  
**Thematic**  
**Opportunities**  
**TFI Funds Programme**

Monthly report as at  
28 February 2026



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## EXECUTIVE SUMMARY

### Key information

Fund name	BB Global Islamic Thematic Opportunities
Reference index	MSCI World Islamic (NRI)
Client reference currency	USD
Inception date	30.09.2020
Performance inception date	31.12.2022
Market value as of 28.02.2026	USD 25,641,585

### Performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
1M	-1.96	2.80	-4.76
3M	0.68	7.81	-7.13
YTD	0.95	6.77	-5.82
1Y	16.75	28.22	-11.47
3Y	14.31	17.00	-2.69

Gross of fees, with net (of taxes) income reinvested

Source: Pictet Asset Management

## 1. MARKET REVIEW

The MSCI World Islamic had another strong month with gains of 2.8% in US dollar terms. AI-driven equity market rotation accelerated in February. Investors aggressively shifted capital away from companies vulnerable to AI disintermediation—such as software, professional services, and sales platforms—and into "Halo" stocks (heavy asset, low obsolescence) that own hard-to-substitute physical assets or operate in heavily regulated sectors. Because of its heavy weighting in software and tech, the US market lagged with a gain of just 1%. In contrast, regions with higher concentrations of tangible assets surged, with Japan soaring nearly 10%, the UK gaining 7%, and emerging market equities rising over 5%. At the sector level, this divergence was stark: materials (+10%), utilities (+9%), industrials (+7%), and consumer staples (+8%) led the market, while communication services (-4%), consumer discretionary (-3%), and IT (-1%) declined amid fears of AI disruption and economic uncertainty.



## 2. PERFORMANCE

### 2.1 Performance breakdown

#### Monthly performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
Feb 2026	-1.96	2.80	-4.76
Jan 2026	2.97	3.86	-0.89
Dec 2025	-0.27	0.98	-1.25

Gross of fees, with net (of taxes) income reinvested  
Source: Pictet Asset Management

#### Quarterly performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
Q4 2025	2.06	3.74	-1.68
Q3 2025	3.64	6.64	-3.00
Q2 2025	17.10	12.29	4.81

Gross of fees, with net (of taxes) income reinvested  
Source: Pictet Asset Management

#### Performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
1Y	16.75	28.22	-11.47
3Y	14.31	17.00	-2.69

Gross of fees, with net (of taxes) income reinvested  
Source: Pictet Asset Management

#### Calendar year performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
YTD	0.95	6.77	-5.82
2025	17.04	19.72	-2.68
2024	5.62	5.37	0.25
2023	28.00	22.78	5.22

Gross of fees, with net (of taxes) income reinvested  
Source: Pictet Asset Management

#### Performance since 31.12.2022



Gross of fees, with net (of taxes) income reinvested  
Source: Pictet Asset Management



## 2.2 Performance analysis

The portfolio returned -2.1% in February, behind the reference benchmark which returned +2.8%. Both the allocation and selection effect were negative. The lack of Energy stocks was the main drag on the allocation front as well as our underweight in Materials. On the selection front, our strong stock picking in IT was offset by the negative effect in Health Care in Communication Services. Samsung Electronics, bought during the month, was the top contributor on the back of continued surge in Memory prices, supported by the AI demand boom (creating scarcity). Infineon rallied in February, overcoming early weakness from sluggish automotive markets and negative cash flow. The surge was driven by booming demand for its AI data center power solutions. Management's move to accelerate AI manufacturing investments and reports of improving long-term order visibility firmly reassured investors. Meanwhile, Boston Scientific was down on Q4 results. Its +12.7% organic top line growth beat street estimates and met the high end of its guidance (11-13%), but the 2026 guidance (+10.5% organic) was perceived as too conservative and a sign of emerging competition. While its key cardiovascular growth drivers will be impacted by new entrants, we believe the market is large enough (expanding with regions, indications) and BSX's pipeline rich enough to maintain its position. Alphabet stock experienced significant downward pressure in February 2026, despite reporting strong Q4 2025 earnings that beat expectations. The sharp pullback was entirely driven by management's capital expenditure guidance. Alphabet projected it would spend up to \$185 billion on AI infrastructure in 2026—effectively doubling its 2025 spend and vastly exceeding market forecasts. This raised deep concerns among institutional investors about near-term margin compression and the uncertain timeline for when these massive AI investments will translate into visible free cash flow.



### 3. PORTFOLIO COMPOSITION

During the month, we bought Samsung Electronics and exited Novo Nordisk after its management flagged a sharp 2026 reset, guiding to a sales and operating-profit decline driven by unusually severe US pricing pressure on Ozempic/Wegovy, which materially worsened the near-term risk/reward. This structural margin headwind is compounded by intensifying GLP 1 competition and other medium-term uncertainties highlighted in the 2026 news flow. Separately, the disappointing CagriSema study update added to confidence and sentiment pressure around the next leg of growth. TopBuild was sold as it exited our investable universe as it was no longer Shariah compliant.

#### 3.1 Allocation profile

##### Top 10 holdings (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Microsoft Corp	6.74	10.81	-4.07
Alphabet Inc	6.53	-	6.53
Asml Holding Nv	6.48	2.50	3.98
Lam Research Corp	5.65	1.30	4.34
Meta Platforms Inc	3.83	-	3.83
Infineon Technologies AG	3.54	0.31	3.23
Schneider Electric Se	3.31	0.79	2.52
Trane Technologies Plc	3.23	0.46	2.77
Dynatrace Inc	3.07	-	3.07
Marvell Technology Inc	3.00	0.31	2.68

Source: Pictet Asset Management

##### Geographic profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
North America	65.82	68.57	-2.76 ■
Europe	25.04	19.88	■ 5.17
Cash & Equivalent	4.43	-	■ 4.43
Latin America	2.38	0.46	■ 1.91
Asia Ex Japan	2.33	2.65	-0.33
Japan	-	8.28	-8.28 ■
<b>Total</b>	<b>100.00</b>	<b>99.85</b>	<b>0.15</b>

Source: Pictet Asset Management



### Sector profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Information Technology	42.04	34.35	7.69
Industrials	13.15	15.24	-2.10
Health Care	11.88	13.02	-1.14
Communication Services	10.36	0.46	9.90
Consumer Discretionary	6.78	7.78	-0.99
Materials	6.68	11.53	-4.85
Cash & Equivalent	4.43	-	4.43
Utilities	2.38	1.30	1.08
Consumer Staples	2.30	4.29	-1.99
Energy	-	11.76	-11.76
Real Estate	-	0.27	-0.27
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>

Source: Pictet Asset Management

### Market capitalisation profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Above USD 70bn	71.67	70.85	0.83
30-70bn USD	7.10	16.72	-9.62
10-30bn USD	11.25	11.44	-0.19
Below USD 10bn	5.55	1.00	4.55
Cash	4.43	-	4.43
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>

Source: Pictet Asset Management



## 4. MARKET OUTLOOK

### 4.1 Outlook

Since last autumn, global equities have been dominated by a rotation out of US tech and into cheaper regions and sectors with improving growth prospects, a trend we expect to persist but in a more selective form. We remain overweight emerging markets, supported by stronger relative growth, a renewed preference for real assets, a benign inflation backdrop and supportive monetary policy. We are neutral on developed markets: euro zone fiscal stimulus should help earnings but has yet to show clearly in the data, while US valuations have normalised as a meaningful share of the “US exceptionalism” premium has already unwound. Sector-wise, we favour industrials (capex, improving manufacturing, infrastructure policy tailwinds) and healthcare (early innovation cycle and less exposed to AI disruption fears). Tech remains a key structural theme, but we prefer a selective stance—maintaining an overweight in IT while shifting exposure toward hardware and semiconductors rather than software, which looks more vulnerable to AI-driven disruption; this bias also aligns with our preference for emerging markets, where tech is more semiconductor-heavy.



## 4.2 Strategy

The market continues to underprice the persistence of secular growth. We pick stocks with value drivers (sales growth and margins) linked to megatrends, where our research leads us to believe that margins and sales growth will not fade. The resulting unnecessary risk premium is our source of value creation relative to a passive investment in the global equity market. We expect companies that benefit from secular tailwinds to outgrow the market over a full economic cycle but especially during parts of the economic cycle where cyclical growth is under pressure. We focus on those secular growth stocks where we believe the market significantly undervalues their long-term potential. We currently find many of these investment opportunities in companies related to secular growth drivers in Enabling Technology, Health Innovators, Digital Disruption, Smart Construction and Industrial Automation. The portfolio generates a weighted return on invested capital today of 19.23% while the market currently prices in only 16.58%, leaving significant upside potential.



For more information,  
please contact your Client  
Relationship Manager.

Pictet Asset Management  
Moor House, Level 11  
120 London Wall  
London EC2Y 5ET  
[pictet.com/assetmanagement](http://pictet.com/assetmanagement)

**Head - Global Client Group**  
Amardeep NAGRA  
Tel: +44 20 7847 5350  
Email: [anagra@pictet.com](mailto:anagra@pictet.com)

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