PICTET
Asset Management

BB Global Islamic Thematic Opportunities
TFI Funds Programme

Monthly report as at
30 June 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 30.06.2026	USD 22,957,222

Performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
1M	4.45	0.22	4.23
3M	30.02	18.95	11.07
YTD	20.39	19.19	1.20
1Y	27.34	31.86	-4.52
3Y	17.45	16.98	0.47

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

Source: Pictet Asset Management

1. MARKET REVIEW

Global equities delivered one of their strongest quarters in recent memory. Brief tariff-driven volatility in early April gave way to a powerful rally as the US-Iran ceasefire removed the quarter's principal macro risk and drove oil prices sharply lower.

Asia led regional performance, with South Korea, Taiwan, and Japan reaching record highs on the back of booming AI chip and memory demand. Emerging Markets also outperformed, while China and Hong Kong were the clear laggards. Technology and semiconductors were the top-performing sectors by a wide margin, as record hyperscaler AI spending drove exceptional demand across the supply chain. Energy reversed sharply as the geopolitical risk premium unwound. The Federal Reserve held rates steady, with a hawkish tone keeping the US dollar firm.

2. PERFORMANCE

2.1 Performance breakdown

Monthly performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
Jun 2026	4.45	0.22	4.23
May 2026	9.07	8.55	0.52
Apr 2026	14.13	9.34	4.79

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

Quarterly performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
Q2 2026	30.02	18.95	11.07
Q1 2026	-7.40	0.21	-7.61
Q4 2025	2.06	3.74	-1.68

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

Performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
1Y	27.34	31.86	-4.52
3Y	17.45	16.98	0.47

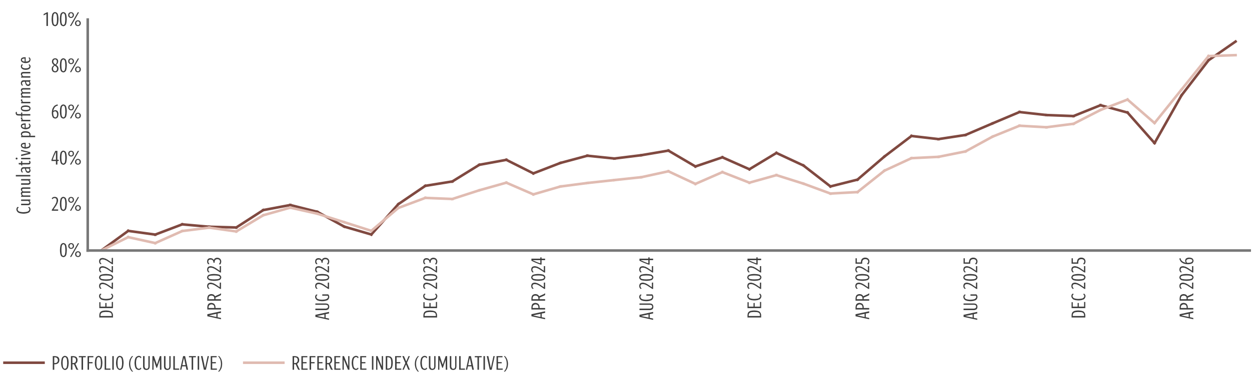
Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

Calendar year performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
YTD	20.39	19.19	1.20
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 delivered a strong positive return in June, outperforming the reference benchmark by +4.23%. Both allocation and stock-selection effects contributed positively to performance. June was defined by a sharp split within technology: semiconductor and equipment names rallied hard, while software and enterprise technology names sold off on fears that AI could disrupt their business models. The strategy's overexposure toward chip and equipment makers, combined with a lighter weighting in enterprise software, meant this divergence worked strongly in the fund's favour. Gains were led by Enabling Technology and Security, while Digital Disruption and Energy Transition names weighed on results.

Enabling Technology Lam Research and Applied Materials were top contributors as chipmakers continued to raise capital spending plans, with strong results and upbeat guidance reinforcing confidence in the AI-driven investment cycle. Marvell Technology rallied after being added to a major US equity index, prompting broad-based buying, while AMD, Samsung Electronics and SK Hynix benefited from continued strength in AI chips and memory. ASML had a strong month on healthy order momentum, though the manager trimmed the position after its sharp rise to manage concentration. Security Palo Alto Networks was a standout contributor after strong quarterly results and continued demand for AI-related security tools. New position Vertiv Holdings, added mid-month as a leading provider of power and cooling infrastructure for AI data centres, contributed positively after being purchased during a broader market pullback.

Digital Disruption Microsoft was the largest detractor after unveiling a very large AI spending plan that raised investor concerns about near-term profitability; Alphabet, Meta, SAP and Salesforce also fell as part of a broader sell-off in software and technology names tied to AI disruption worries. Nemetschek and SAP were further pressured by growing concerns that AI could disrupt traditional enterprise and design software models, with SAP also receiving a broker downgrade during the month. Energy Transition First Solar declined sharply amid policy uncertainty around clean energy incentives and tariffs. Industrial Automation Hitachi fell after a legal matter tied to its turbine business emerged, compounded by a wider rotation away from Japanese industrial stocks. Smart Construction WSP Global remained under pressure on ongoing investor concerns about its balance sheet and exposure to government spending, while Delta Electronics gave back gains after a strong run following its recent addition to the portfolio.

3. PORTFOLIO COMPOSITION

We added three new positions in June: Vertiv Holdings, a leader in power and cooling systems for AI data centres; Cisco Systems, repositioned around AI networking infrastructure; and Halma, a UK-listed safety and environmental technology company added for quality and diversification. We exited Boston Scientific following a guidance cut and other headwinds, EssilorLuxottica on relative conviction elsewhere, as well as Sika, reallocating these proceeds to Saint-Gobain which we prefer. Profits were taken in several strong performers – including ASML, Marvell Technology, Palo Alto Networks and Infineon – to manage position sizes after significant gains, while exposure to Pentair and WSP Global was also reduced. Proceeds were used to continue adding to nVent Electric on continued conviction in construction and AI-related power infrastructure themes, and to Ebara Corp, a Japanese supplier to the semiconductor and pump industries.

3.1 Allocation profile

Top 10 holdings (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Lam Research Corp	6.60	2.10	4.50
Asml Holding Nv	5.42	2.96	2.46
Alphabet Inc	5.03	-	5.03
Samsung Electronics Co Ltd	3.81	-	3.81
Infineon Technologies AG	3.69	0.47	3.22
Dynatrace Inc	3.47	-	3.47
Marvell Technology Inc	3.33	0.98	2.35
Nvidia Corp	3.17	-	3.17
Palo Alto Networks Inc	3.14	1.07	2.06
Applied Materials Inc	2.68	2.22	0.46

Source: Pictet Asset Management

Geographic profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
North America	62.84	71.85	-9.01
Europe	25.06	18.23	6.82
Asia Ex Japan	6.17	2.20	3.98
Japan	2.40	7.32	-4.92
Cash & Equivalent	2.35	-	2.35
Latin America	1.18	0.29	0.89
Africa	-	0.11	-0.11
Total	**100.00**	**100.00**	**0.00**

Source: Pictet Asset Management

Sector profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Information Technology	54.35	44.10	10.26
Industrials	17.66	13.72	3.94
Communication Services	6.29	0.36	5.93
Health Care	5.41	11.96	-6.55
Consumer Discretionary	5.32	7.04	-1.71
Materials	4.75	8.80	-4.05
Consumer Staples	2.68	3.26	-0.58
Cash & Equivalent	2.35	-	2.35
Utilities	1.18	0.77	0.41
Energy	-	9.78	-9.78
Real Estate	-	0.22	-0.22
Total	**100.00**	**100.00**	**0.00**

Source: Pictet Asset Management

Market capitalisation profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Above USD 70bn	66.02	73.72	-7.70
30-70bn USD	11.42	16.27	-4.85
10-30bn USD	15.83	9.12	6.71
Below USD 10bn	4.37	0.89	3.48
Cash	2.35	-	2.35
Total	**100.00**	**100.00**	**0.00**

Source: Pictet Asset Management

4. MARKET OUTLOOK

4.1 Outlook

In our view, equities are not about to reverse course. There are strong arguments for a continuation of the rally. To begin with, the risk of stagflation that has haunted markets since the war began is receding. With the US and Iran now making firm progress towards a peace agreement and oil prices falling in response, we envisage that consensus expectations for economic growth will pick up and those for inflation to head lower.
Interest rates have begun to rise worldwide, but experience shows this is usually positive for stocks, particularly if monetary tightening is a reaction to improving growth. The equity market's gains remain concentrated among a handful of large tech companies, raising the possibility of a shift in the pattern of stocks' returns.
Our business cycle indicators remain in positive territory. Although developed economies are growing at a pace that is below the long-term trend rate, it is encouraging to see that business investment continues to rise in both the US and Europe.
Our liquidity indicators, meanwhile, clearly show that monetary stimulus outside China is being scaled back but, crucially, not at a pace that would threaten the market rally.

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 19.98% while the market currently prices in only 17.6%, leaving significant upside potential.

For more information, please contact your Client Relationship Manager.

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