PICTET
Asset Management

BB Global Islamic Thematic Opportunities
TFI Funds Programme

Monthly report as at
31 January 2026

CONTENT

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 31.01.2026	USD 26,191,880

Performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
1M	2.97	3.86	-0.89
3M	1.85	4.42	-2.57
YTD	2.97	3.86	-0.89
1Y	14.53	21.26	-6.73
3Y	14.50	14.97	-0.47

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

Source: Pictet Asset Management

1. MARKET REVIEW

The MSCI World Islamic started the year with solid monthly gains of 3.9% in US dollar terms. The rally in stocks reflected optimism over a broad-based improvement in corporate earnings and continued monetary stimulus from the world's major central banks. Energy and material sectors saw the sharpest rises, mirroring recent gains in gold, commodity and oil prices. There was pronounced dispersion within the tech sector, however, with software stocks down by nearly 10% but memory chip-related stocks gaining as demand surged for specialised technology hardware. When it comes to regions, the biggest gains were found in emerging markets. The US lagged with gains of just over 1%; Japanese stocks ended the month up nearly 5% in local currency terms, with the Nikkei index hitting an all-time high.

2. PERFORMANCE

2.1 Performance breakdown

Monthly performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
Jan 2026	2.97	3.86	-0.89
Dec 2025	-0.27	0.98	-1.25
Nov 2025	-0.82	-0.43	-0.39

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	14.53	21.26	-6.73
3Y	14.50	14.97	-0.47

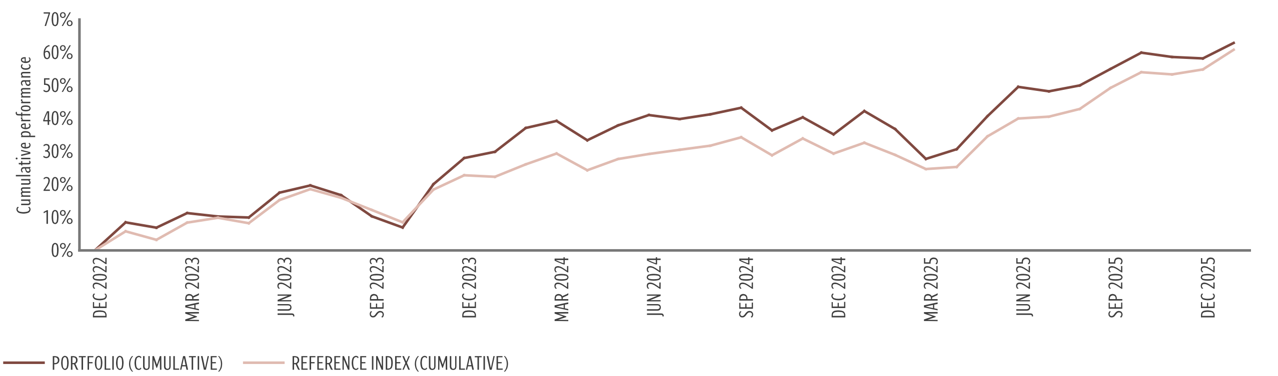
Gross of fees, with net (of taxes) income reinvested
Source: Pictet Asset Management

Calendar year performance (%)

	PORTFOLIO	REFERENCE INDEX	EXCESS RETURN
YTD	2.97	3.86	-0.89
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 3.0% in January, behind the reference benchmark which returned +3.9%. The fund was vey negatively impacted by the allocation effect and our lack of Energy exposure as oil price surged following the event in Venezuela. It was partly offset by strong stock selection in the IT and Communication Services sectors with holdings such as ASML, Lam Research and Alphabet. ASML surged 32% driven by record Q4 bookings. The rally reflected accelerating AI-driven capacity expansion: TSMC raised 2026 capex to $52-56B (+33%), memory makers increased DRAM orders for AI servers, and foundries expanded EUV layer adoption at advanced nodes. China revenue was offset by robust non-China demand. High-NA EUV production deployments at Intel and SK Hynix validated next-generation tool adoption, reinforcing ASML's monopoly position in critical lithography. KLA was another strong contributor as the stock gained 18% despite a sharp 10% decline on January 30 following Q2 earnings. The rally was driven by 17% full-year revenue growth fuelled by AI infrastructure demand: leading-edge foundry/logic investments, high-bandwidth memory adoption, and advanced packaging orders. The post-earnings selloff reflected high expectations ahead of results, supply constraints limiting H1 2026 upside, and WFE guidance perceived as conservative versus peers. Meanwhile, Roper Technologies was the main detractor and we exited the position at the end of the month. Roper (apart from being sold from thematics) is a software name that was a great defensive name to own during Liberation day (no tariffs) but we started to see changes in the management's stance on acquisitions as they started to be involved in companies that had much higher valuation. They were also not growing enough organically (5-6%) relative to software peers but at the same time came with some disruption risk. Dynatrace was another detractor, caught in the broader software sector selloff driven by AI disruption fears. Despite announcing Dynatrace Intelligence (combining deterministic and agentic AI) at its Perform 2026 conference, shares fell sharply as investors questioned whether observability platforms could maintain pricing power against hyperscaler-integrated solutions. Snowflake's January acquisition of Observe heightened competitive concerns, signaling observability may move into native data platform layers. Strong fundamentals (18% revenue growth, Q2 beat) were overshadowed by valuation concerns.

3. PORTFOLIO COMPOSITION

During the month, we bought EssilorLuxottica and Sensient Technology. We found an attractive entry point with EssilorLuxottica as shares were down on announcement of upcoming Google glasses. The category is obviously attracting new entrants and tech giants like Google, Apple, Amazon or Samsung are expected to compete with EssilorLuxottica and take share. But at this stage of low adoption and with smart glasses' markets still in its infancy, the design matters much more (first criteria for >90%) than the AI functionalities. Surveys show that customers want nice looking glasses with a plus, not ugly but super techy glasses. So, at this stage, EssilorLuxottica will keep its leadership for a while (now >70% market share estimated). We expect strong Q4 trends (>10% so sequentially better) given the higher awareness on smart glasses and recent new launches of Ray-Ban Gen 2 and Oakley models - and rest of business growing at mid-single digit. Sensient Technologies manufactures and markets colors, flavors, and other specialty ingredients with varied end-markets: for food and beverage products, pharmaceutical excipients, and cosmetic ingredients. It is one of the highest conviction of our Nutrition strategy. Meanwhile we exited Roper Technologies as mentioned above and Vertex Pharmaceuticals. Regarding Vertex, the Biotech team has completely exited the name to focus on the pre-commercial smaller cap biotech names.

3.1 Allocation profile

Top 10 holdings (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Microsoft Corp	7.23	12.18	-4.95
Alphabet Inc	7.22	-	7.22
Asml Holding Nv	6.30	2.55	3.75
Lam Research Corp	5.63	1.34	4.29
Meta Platforms Inc	4.14	-	4.14
Infineon Technologies AG	3.49	0.29	3.19
Schneider Electric Se	3.21	0.72	2.49
Marvell Technology Inc	3.03	0.31	2.72
Trane Technologies Plc	2.87	0.43	2.45
Dynatrace Inc	2.82	-	2.82

Source: Pictet Asset Management

Geographic profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
North America	68.69	69.54	-0.85
Europe	26.40	19.82	6.59
Latin America	2.74	0.40	2.35
Cash & Equivalent	2.16	-	2.16
Asia Ex Japan	-	2.49	-2.49
Japan	-	7.62	-7.62
Total	**100.00**	**99.86**	**0.14**

Source: Pictet Asset Management

Sector profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Information Technology	39.71	36.45	3.26
Health Care	14.95	13.10	1.86
Industrials	12.77	14.42	-1.65
Communication Services	11.37	0.48	10.89
Consumer Discretionary	7.97	8.11	-0.13
Materials	5.65	10.64	-4.99
Utilities	2.74	1.21	1.53
Consumer Staples	2.68	4.11	-1.43
Cash & Equivalent	2.16	-	2.16
Energy	-	11.21	-11.21
Real Estate	-	0.28	-0.28
Total	**100.00**	**100.00**	**0.00**

Source: Pictet Asset Management

Market capitalisation profile (%)

	PORTFOLIO	REFERENCE INDEX	ACTIVE WEIGHT
Above USD 70bn	66.48	69.42	-2.93
30-70bn USD	13.13	18.00	-4.87
10-30bn USD	15.63	11.41	4.23
Below USD 10bn	2.59	1.18	1.41
Cash	2.16	-	2.16
Total	**100.00**	**100.00**	**0.00**

Source: Pictet Asset Management

4. MARKET OUTLOOK

4.1 Outlook

Equity markets have seen a positive start to the new year, and the key ingredients are there for more gains.
Liquidity conditions are favourable, governments around the world are increasing public spending, economic growth prospects are solid and inflation appears to be in check. Our business cycle indicators are positive. In the developed world, economic conditions are positive in the US, euro zone and UK. But it is in emerging markets where growth appears especially strong. The US economy is supported by positive corporate sentiment and hiring intentions. However, we are concerned about the fact that household spending is being funded by savings rather than income. For Europe, growth prospects hinge on the effectiveness of planned fiscal stimulus and infrastructure spending.

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 21.14% while the market currently prices in only 17.35%, 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

Head - Global Client Group
Amardeep NAGRA
Tel: +44 20 7847 5350
Email: anagra@pictet.com