Jabal Money Market Fund

NAV/Unit: 1.072788

Fund Size: RO 71.47 mn

Investment Objective: The Fund aims to preserve capital, maintain liquidity and maximize returns by investing in high-quality, short-term money market instruments principally in GCC markets in GCC local currency and USD.

Fund Details

Asset Classes	Money Market
Fund Manager	Jabal Asset Management LLC
Country of Domicile	Sultanate of Oman
Date of Inception	January 21, 2025
NAV Frequency	Daily
Management Fee	0.5% per annum
Minimum Subscription	1,000 units at NAV multiples of 100
Expected Return**	5.0%

Commentary

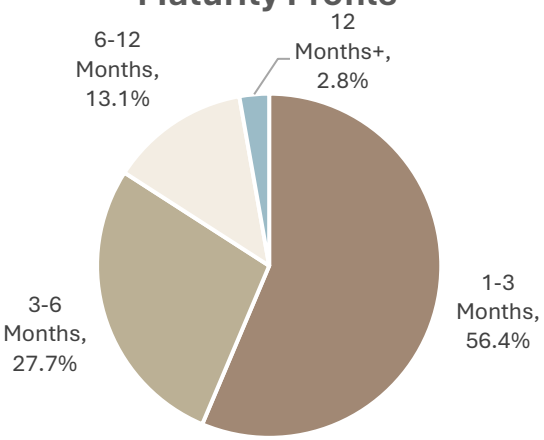
Economic and rate update: Resilient US consumer activity, robust labor indicators, and firm business sentiment underscored underlying economic strength. Concurrently, progress on disinflation stalled: core PCE inflation has remained non-trending over the past five months, hovering uncomfortably near ~3.3% and well above the Federal Reserve's 2.0% objective. The Federal Reserve tilted decisively more hawkish than consensus anticipated, publishing an upwardly revised (by 25-50bp) forecast of the end-2026 and 2027 policy rates and lifting its real GDP and inflation forecasts. This hawkish repricing catalyzed a broad-based surge in the U.S. Dollar (DXY) and triggered widespread risk-off sentiment, driving broad equity multiple compression, widening credit spreads, and dampening cross-asset returns.

Yield update: U.S. fixed-income markets experienced an aggressive repricing in September as both nominal and real yields surged to cycle highs. The benchmark U.S. 10-year real (inflation-adjusted) yield (TIPS) jumped to 2.9%, its highest sustained level since 2003, placing risk-free real borrowing costs in the top 1% (>99th percentile) of all historical observations over the last two decades and surpassing the 2007 pre-GFC housing boom peak (2.73%). Nominal yields advanced sharply across the curve, with 10-year Treasuries testing 5.25%. While we anticipate 10-year nominal yields will ultimately trend lower over a 12-month horizon as these extreme real rates inevitably decelerate economic demand, the near-term rate environment remains volatile and defensively priced.

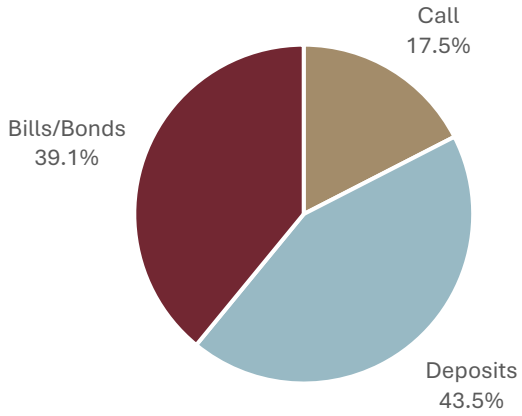
Strategy & Performance: The Fund delivered a strong annualized net return of 5.24% in September, outperforming its benchmark by 12 bps, driven by proactive cash management and elevated yields across floating-rate and short-term holdings. We maintained our conservative, short-duration posture, heavily concentrating portfolio maturities in ultra-short tenors. While we have observed initial signs of commercial bank counterparties lifting deposit rates in the 6+ month tenors, these quotes continue to substantially lag secondary market rate realities. During the month, the Fund established a modest 1% exposure to 1-1.5year-tenor Oman sovereign listed bonds. This allocation aligns with our statutory investment mandate, satisfies rigorous secondary-market liquidity requirements, and shifts more of the portfolio to OMR instruments. Fund ended September with approximately 17.5% in overnight and less than one-month assets.

Portfolio Allocation

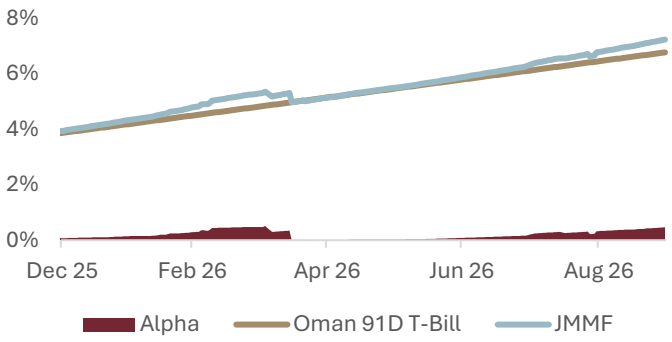
Maturity Profile



Portfolio Composition



YTD Returns vs Benchmark



Jabal Money Market Fund	1-Month	3-Month	6-Month	9-Month	YoY	Inception
Annualized Performance	**5.24%**	**5.09%**	**3.72%**	**4.23%**	**4.42%**	**4.28%**

**Please note these are mere expectations, real returns may vary basis market conditions

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