

News Release



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Shariah-compliant Guernsey PCC is launched

Investment manager [Argyll Investment Services](#) Limited has launched the World Shariah Funds PCC Limited, a Guernsey-based suite of Islamic-compliant investments which will be listed on the Channel Islands Stock Exchange (CISX) and distributed globally.

The World Shariah Funds have brought together three major Islamic investment teams within a single fund structure: From Malaysia, [Reliance Asset Management](#) (Malaysia) with US\$4.3 billion assets under management; the south-east Asian [CIMB Principal Asset Management](#) Berhad with US\$6.85 billion assets under management; and [Markaz](#) of Kuwait with US\$2.2billion assets under management.

This is the first time they have come together in a single offering and strict criteria have been applied to the selection of the companies whose shares are held within the funds. These specifically exclude, amongst others, companies dealing in alcohol, pornography, tobacco or those with highly leveraged balance sheets. From a 'basket' of Shariah-compliant companies, a selection is made of those whose earnings are most likely to exceed the market average and the result is an actively-managed portfolio intended to outperform an Islamic equity index.

Stuart Place, Marketing Director at Argyll, said: "Following the first phase of the world credit crisis investors are more wary of holding heavily indebted companies in their portfolios. The filter process for the World Shariah funds eliminates such businesses as non-compliant under Shariah principles.

As the next phase pans out, less leveraged companies will be less dependent on bank finance and should have more robust balance sheets; an attractive proposition in the search for value.”

The Administrator of the World Shariah Funds PCC Limited is [Legis Fund Services](#) Limited which has some years of experience administering Shariah compliant Guernsey open-ended funds. Managing Director Martin Tolcher said: “This fund adds to the Shariah compliant structures we already administer and the overall breadth of fund types under Legis’ administration. There continues to be increased demand for Shariah-compliant investment products, including offshore funds whose portfolios consist of Shariah-compliant securities.

“This specialist area of fund administration is a growth area for Guernsey. The increased awareness of and desire for these products globally, the presence of the Channel Islands Stock Exchange and Guernsey’s position as a highly reputable jurisdiction are a winning combination.”

The fund launch follows Argyll’s participation in the Guernsey Finance presence at the [Fund Forum Middle East conference](#) in Bahrain last year at which Legis and the fund’s legal advisers, [Ogier](#), were also present.

Stuart Place, of Argyll, delivered a presentation on ‘Innovation vs. Conservatism: How to achieve results in a post-credit-crunch market’ following which the Guernsey parties were introduced to a Middle East fund promoter.

He said: “Guernsey Finance’s initiative is directly responsible for Argyll being in a position to develop the World Shariah Funds. The financial benefits and worldwide brand exposure is already being felt across a number of businesses in Guernsey. We applaud them for their efforts and look forward to supporting future initiatives.”

Peter Niven, Chief Executive of Guernsey Finance, said: “It is very good news to see these three Shariah compliant funds being launched from Guernsey.

“Shariah compliant products are extremely popular at the moment, not least of course to reach out to Islamic investors and this launch from a new fund promoter to the Island will particularly enhance the knowledge and reputation of Guernsey in the Middle East.”

Background Information:

Argyll Investment Services Limited - Argyll is an independent fund manager, licensed by the Guernsey Financial Services Commission, and as an owner-managed boutique has established a track record with its investment portfolio management services, Clarion Multiclass umbrella fund and a number of niche investment solutions, particularly within the alternative investments arena.

Legis Fund Services Limited, part of the Legis Group, provides comprehensive administration services to fund structures domiciled in a variety of offshore jurisdictions.

The World Shariah Funds PCC Limited are comprised of three cells called the Asian Pacific Shariah Growth Fund; the MENA Shariah Growth Fund and the Reliance Global Shariah Fund.

The Fund Forum Middle East Conference, was held in Bahrain from October 19th to 21st, 2009 and brought together many key CEOs, CIOs and investment experts to discuss the fundamental global issues so as to create a blueprint for the future of asset management in the Middle East.

Mr Stuart Place is the Marketing Director of Argyll Investment Services Limited and has worked in offshore finance since 1989 after graduating from the University of Manchester. Formerly involved in client service and marketing development for the Old Mutual group, he established Argyll Investment Services Limited. Having a set an objective to deliver positive portfolio returns in all climates, Stuart was an early supporter of alternative strategy investments. Stuart has held a number of directorships in the investment funds sector and as a past chairman of the Guernsey Investment Managers’ and Stockbrokers’ Association contributes to reviews of Guernsey regulation and legislation. The theme of Stuart’s speech in Bahrain – that although one phase of the credit crunch may be over, the need for

risk awareness and innovation has never been greater. This is exemplified in the launch of the World Shariah Funds.

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