

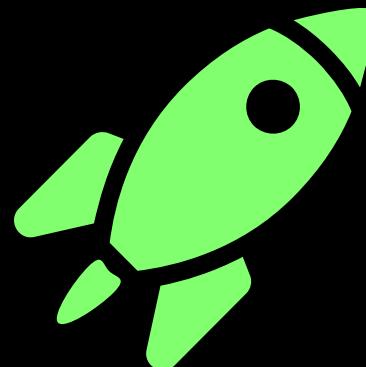


Fixed Income Investing

Cur8 Investor Club August 2024

The Cur8 Investor Club

- From the point of signing up for the Cur8 platform you will be a member of an investment syndicate
- After 6 months as a member of a syndicate you qualify to invest with Cur8 Capital as a *sophisticated investor*



Registered for
Cur8 App before
4th February
2024

Today August 1st
2024



If you registered before 4th February 2024, you are now eligible to self-certify

You need to complete your investor profile to be able to invest or view deals. [Complete Investor Profile](#)

Invest Live Deals Payments My Portfolio   Membership  How It Works 

Live Deals

You can invest directly into the individual companies, assets or funds below

[Currency \(All\) ▾](#) [Status \(All\) ▾](#)

LAUNCHING ON 15 JULY 2024

 **cur8 GBP Income Fund**
[VIEW INCOME](#)

Offering market-leading returns, fully property-backed and capitalising on special opportunities, all whilst earning good deeds for supporting affordable rental home finance.

Annualised Target Return  7.5% Liquidity  3 months Risk Profile  Low

Tax Benefits  IP-ISA Maturity  Perpetual Distribution Paid  Every 6 Months

LAUNCHING ON 18 JULY 2024

 **RASMALA UK Property Fund**
[REAL ESTATE](#)

Rare access to institutional-grade property investments - this is a private fund



If you haven't already signed up



Sign up now

You can find previous seminars on the Cur8 website in the Investor Club Archive

Alexander Effingham
Growth Executive

July 3, 2024

How to guide Uncategorized

Welcome to the Cur8 Investor Club's archive. Here you can find back issues of our Investor Club Webinars including the video recordings and slides (when available).

April 2024 – Private Market Investing



May 2024 – Understanding Risk



[Download the May 2024 Investor Club Slides](#)

Click the green link above or scan this QR code below to visit the archive (or you can find it on the Cur8 Blog)



Fixed Income Investing



Fixed income investing means putting your money into investments like bonds that pay you regular, steady, and reliable income.

Bonds – the backbone of fixed income

A bond is a **loan**: When you (or an investment fund) buy one, you're lending that money to a government or company

Bonds are like stocks in that you can buy them at any time. But you generally must keep bonds until they reach what's called a term, at which point you're paid back the amount of the loan, or bond, plus interest.

They are viewed as a safe investment



Bonds



A bond

is issued by a
government
or corporation

to generate
funds

and is paid back to
the investor as
principal + interest.

Bonds

With Bonds you receive a constant stream of payments from the issuer for the term period.

These are typically governments or large corporations, so you are likely to receive these payments on time and without issue for the term.

This is why nearly every stock portfolio contains them – there are more bonds in the world than stocks. Totaling \$140.7 Trillion in 2024



City A wants to build a new school.



City A sells 10-year bonds to raise money.



You buy 1 bond.



You now hold an IOU (for principal plus interest) from the city that's due in 10 years.

Bonds are Haram

Bonds are an interest-bearing loan instrument and as such are unambiguously haram.





ibrahimkhan IFG

2 Apr '20

↓
View
Mufti
The

This is a the most comprehensive resource for this question on the internet.

We present views from IslamQA then our resident expert Mufti Billal Omarjee presents his views, and finally IFG present a commercial perspective on the matter.

View One: IslamQA

A bond is a certificate which, according to its terms, obliges the issuer to pay the bearer the face value plus the agreed amount of interest when it reaches maturity, or to pay other benefits, such as prizes awarded by drawing lots, or payment of a fixed amount, or any discount.

The Islamic Fiqh Council has researched the matter of dealing in bonds and issued the following statement:

1. Bonds which represent a commitment to pay the face value plus interest, or conditional benefits, are haraam according to sharee'ah, whether one is buying, selling or handling them, because they are considered to be interest-based loans. This applies whether they are issued by private companies or by public bodies run by the state. The fact that they are forbidden is not affected by giving them other names such as "certificates", "investment documents" or "savings", or calling the interest "profit", "commission" or "returns".
2. Also forbidden are bonds that offer prizes, because these are loans made on the condition that the benefits or increase will go to the group loaning the money, or to one of them, who is not specified at the time of investment, in addition to the fact that this is based on the idea of gambling.
3. Another kind of forbidden bonds, which it is haraam to buy, sell or handle, is bonds or documents based on bidding for a specific project or activity from which the owners will not benefit in any definite way, but will only receive a share of the profits according to the number of bonds or documents that they own, and they will only receive this profit if the project is actually carried out.

And Allaah knows best.

Source: [here](#) 11

If you are interested in the details of why bonds are Haram, you can read our Fatwa on the subject [here](#) that explains it in more detail with analysis from Muftis



Are there Sharia compliant
alternatives?

Sukuks

- Sukuks are Islamic financial certificates similar to bonds but compliant with Sharia law.
- Unlike bonds, Sukuks do not pay interest.
- Instead, they generate returns by sharing profits from an asset or project, making them Sharia compliant as they avoid interest (riba) and invest in ethical, tangible assets.



Sukuks vs. Bonds

Similarities

- Both Sukuks and bonds provide regular payment streams to investors.
- Both are issued by corporations or governments to raise capital.
- Both are generally seen as safer investments compared to equities, with less volatility and structured returns.

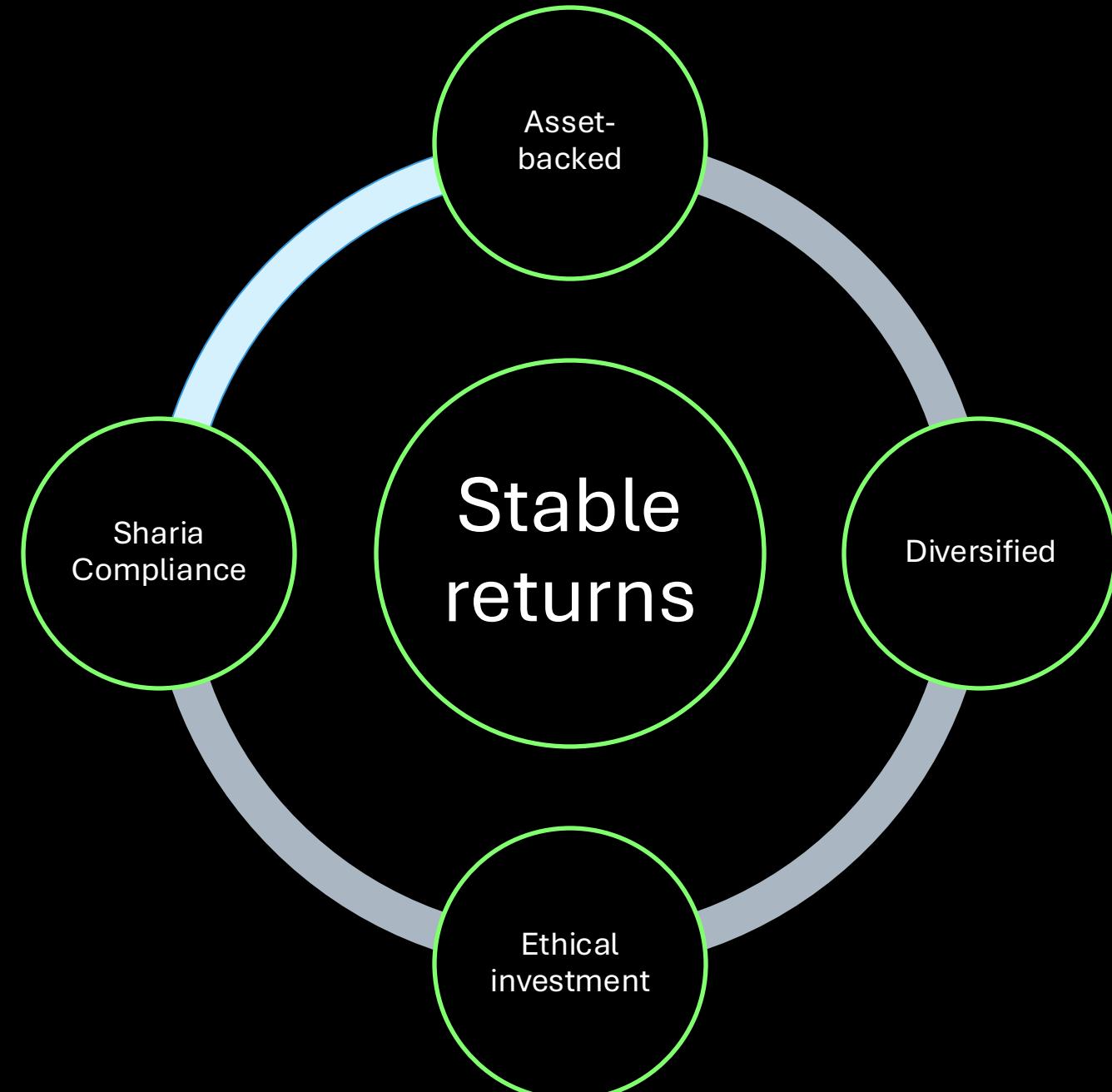
Sukuks vs. Bonds

Key Differences

- Sukuks involve asset ownership, while bonds are debt obligations.
- Sukuks can increase in value with the underlying asset, whereas bonds yield returns based on interest rates.
- Sukuks are Shariah-compliant and halal, while bonds often involve interest (riba) and may fund non-compliant activities.
- Sukuks' value are tied to the underlying asset, while bond value depends on credit rating and interest rates.
- Sukuks can be **very hard to access**

Why are Sukuks Good?

- Due to Shariah compliance, ethical investment ensures funds aren't used in prohibited activities.
- Asset-backed nature provides an added layer of security to investors.
- Sukuks can offer portfolio diversification due to its unique structure and underlying principles.
- Given their structured approach, Sukuk often provides stable and predictable returns.



Sukuks in the Real World

The Governments of Bahrain, Qatar, and Malaysia

- **Bahrain:** The Central Bank of Bahrain has been proactive in issuing various Sukuk over the years, including the first-ever international US-dollar-denominated ijara Sukuk in 2001, valued at \$100 million.
- **Qatar:** The State of Qatar has been a key player in the Sukuk market, leveraging Sukuk for its infrastructural projects and other financing needs. For instance, in 2012, Qatar issued a \$4 billion Sukuk, the largest single Sukuk issuance by value.
- **Malaysia:** As one of the pioneers in the Sukuk market, Malaysia has frequently used Sukuk for its financing needs. The Malaysian government and its corporations have issued numerous Sukuks, making Malaysia one of the world's largest Sukuk markets.

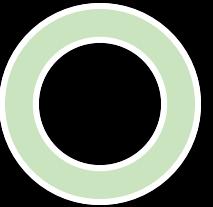
Emirates Airlines Sukuk

- In 2005, Emirates Airlines ventured into the Islamic capital market by issuing its inaugural Sukuk.
- Worth \$550 million, it was a seven-year ijara Sukuk, and it marked the first Sukuk issuance by an airline.

Dubai World Sukuk

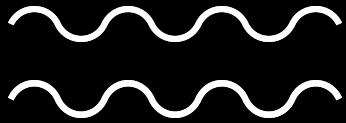
- As part of its restructuring plan after the 2009 financial crisis, Dubai World, the government's investment company, made a proposal in 2011 to issue a Sukuk worth \$2.3 billion.
- This was instrumental in the organization's recovery strategy and reflected the flexibility and utility of Sukuk in various financial scenarios.

Other Alternatives



Bridge Finance

- Provides short-term loans to cover immediate expenses until long-term financing is secured.
- Helps businesses manage cash flow gaps or urgent funding needs



Trade Finance

- Facilitates international trade by providing financing options for importers and exporters.
- Ensures smooth transactions by covering costs like shipping and inventory.



Working Capital Finance

- Provides funds for day-to-day operations of a business.
- Helps maintain cash flow, pay employees, and manage short-term expenses.

What does Cur8 offer?

GBP Income Fund

cur8



Fund at a glance

Safe, income-generating investments

In an uncertain market, we offer **exclusive access** to deals that offer the strongest returns and represent the most resilient business models.

Investment security is carefully ensured through:

- Selecting experienced finance providers with robust and rigorous financing criteria.
- Ensuring that downside is protected by taking security over assets.

What is it?

The Fund invests into sharia-compliant opportunities, primarily property financing with security on the properties. The fund manager also retains flexibility to invest in special opportunities, allowing the fund to capitalise on opportunistic, secured, investments with a similar profile.



A. PROPERTY FINANCE

Sharia-compliant financial solutions used to buy or develop real estate. Free from interest and grounded in ethical, asset-backed transactions.



B. SPECIAL OPPORTUNITIES

Special investment opportunities that we identify or receive exclusively through our networks, with narrow windows of opportunity, strong return profiles and contained downside risk.



HIGH YIELD

TREASURY

Institutional saving account rate for our investors. Shari'a compliant, liquid & high-yield.



Who is this Investment for?

Key Points

This investment is best for:

- Investors looking to lock their capital away and receive a strong semi-annual return with property backing their investment
- Investors looking for a relatively liquid investment option, accessible with a 3-month notice

Capital Appreciation

- Income generation is the primary focus for the fund. Capital appreciation may occur but investors should assume no capital gains. Any capital gains will ultimately be passed back through income distributions.



Example Cashflow



Example Breakdown (Member)

Annual Returns

Members	7.5%
Non-Members	7.25%



Date	Action	Amount	Running Balance
June 2024	Start	£100,000	£100,000
Dec 2024	Y1 Return 1	~£3750	£103,750
June 2025	Y1 Return 2	~£3750	£107,500
Dec 2025	Y2 Return 1	~£4030	£111,530
June 2026	Y2 Return 2	~£4030	£115,560

Some Common Questions

- When does my money start working?
- How does an IF-ISA work?
- What sort of things do we invest your money into?
Bridge Financing, Rent to Rent, Home Financing
- Why is it a safe investment?
- The power of semi-annual compounding

Questions & Answers

Self-certification Walkthrough