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Beyond Returns: The case for values-led portfolios in a volatile world

A shift in investor priorities

In today's unpredictable markets, investors are asking new questions. Performance still matters, but so does purpose. Increasingly, wealth managers are finding that clients want to know not only how much their portfolio returns are but also *how* they are being generated.

Globally, values-led investing has moved from a niche preference to a mainstream demand. Closer to home, this shift is gaining traction as South African investors seek solutions that combine ethical integrity with robust returns. In a climate defined by volatility, uncertainty, and scrutiny, portfolios built on strong values are proving to be more than a moral choice; they're becoming a strategic advantage.

> "In volatile markets, values-led portfolios aren't just ethical — they're a strategic advantage."

The wisdom behind Hikma

Sentio Capital recognised this change early. Rather than retrofitting conventional products to carry a "Shariah-compliant" label, Sentio built its ethical investment solutions from the ground up. In 2016, the first product in the Hikma range was launched. Today, Hikma is a fully Shariah-compliant funds suite designed to deliver competitive performance without compromising on principle.

Hikma, Arabic for "wisdom", reflects a philosophy that is as much about process as it is about purpose. Every investment decision is guided by AAOIFI (Accounting and Auditing Organisation for Islamic Financial Institutions) standards and overseen by an independent Shariah Board. This ensures not only compliance but also alignment with the spirit of ethical investing.

Under the leadership of Sentio's experienced portfolio managers, Hikma blends rigorous fundamental research with advanced investment technology. Sentio has been integrating machine learning into its process since inception, not to replace human insight, but to enhance it. This marriage of data-driven analysis and disciplined human judgment allows Hikma to identify opportunities and manage downside volatility through all market cycles.

Funds built for purpose and performance

The Hikma range offers South African investors three core strategies:

- **Sentio SCI Hikma Shariah Income Fund** – Designed for investors seeking regular income, capital preservation, and low volatility, with returns above Islamic bank accounts.
- **Sentio SCI Hikma Shariah Balanced Fund** – Aims to deliver long-term capital growth and reasonable income through a well-diversified, risk-managed portfolio.
- **Sentio SCI Hikma Shariah General Equity Fund** – Targets capital growth over the medium to long term through disciplined stock selection across sectors.

All funds exclude sectors prohibited by Shariah law, including tobacco, alcohol, gambling, and interest-based finance. However, Shariah investing principles are relevant far beyond faith-based investors; they align closely with ESG values: responsible asset selection, transparency, and long-term sustainability.

> "With Hikma, investors don't have to choose between performance and principle; they can have both."

This makes Hikma particularly compelling in the current uncertain environment. With a focus on downside protection and disciplined valuation, these portfolios are designed to withstand turbulence without losing sight of growth objectives. For investors, that means greater confidence in their ability to remain invested through uncertainty.

Why now is the time to act

Whether you are a financial adviser seeking to diversify client portfolios or an investor looking for ethical options that don't compromise on performance, our bespoke Hikma solutions offer a credible, values-led alternative.

You don't need to be Muslim to invest in Shariah-compliant funds; many investors choose them for their ethical integrity and alignment with responsible investing trends. By incorporating Hikma into your investment strategy, you're not only making a wise financial decision, you're making a statement about the kind of value you believe in.

To explore how our Hikma range can add resilience and integrity to your portfolio, visit our website or contact the Sentio distribution team:

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About Sentio Capital Management

Founded in 2007, Sentio Capital Management is an independent asset manager committed to delivering innovative investment solutions built on fundamental research, robust risk management, and ethical integrity. Our philosophy, *Invest for Good®,* reflects a belief that investing can and should create a positive, lasting impact for clients and society.

Hikma
BESPOKE SHARIAH SOLUTIONS