



# Islamic Certificates

Application to Real Estate  
Investments

**Omar Ruggiero Lomonaco**  
**Head of Islamic Investor Products**

**29 October 2007**

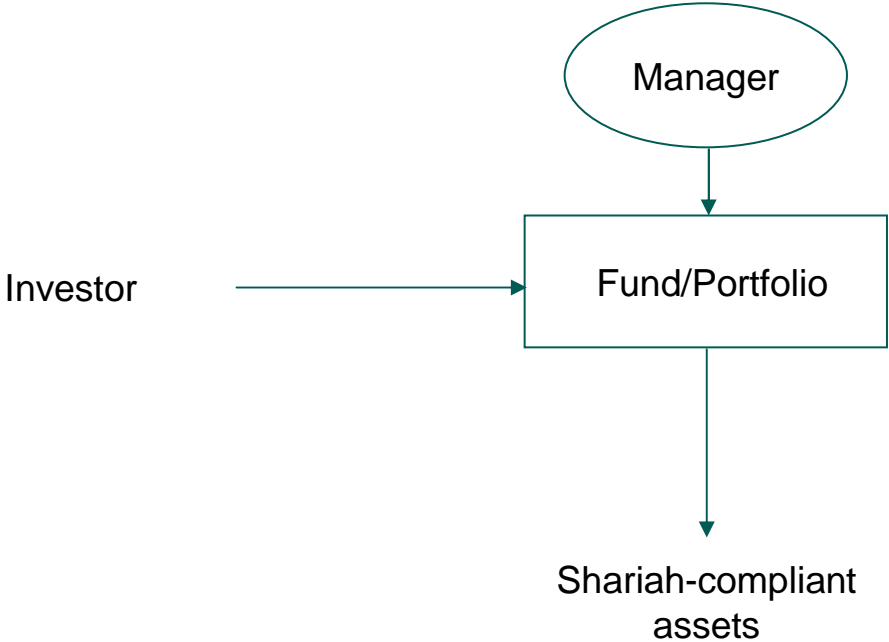
# “Islamic Certificates” = Structured Sukuks



- Securities issued by an Investment bank
- Rated
- Global Depositary Receipts
- Freely transferable
- Euroclear/Clearstream
- Listing (SWX, Frankfurt)
- Small denomination
- Structured features
  - Index tracking
  - Leverage
  - Capital protection
  - Hedging (e.g FX risk)



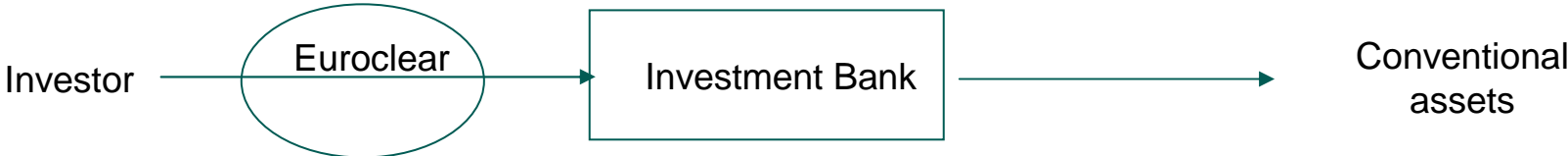
# Structure: Islamic Mutual Fund



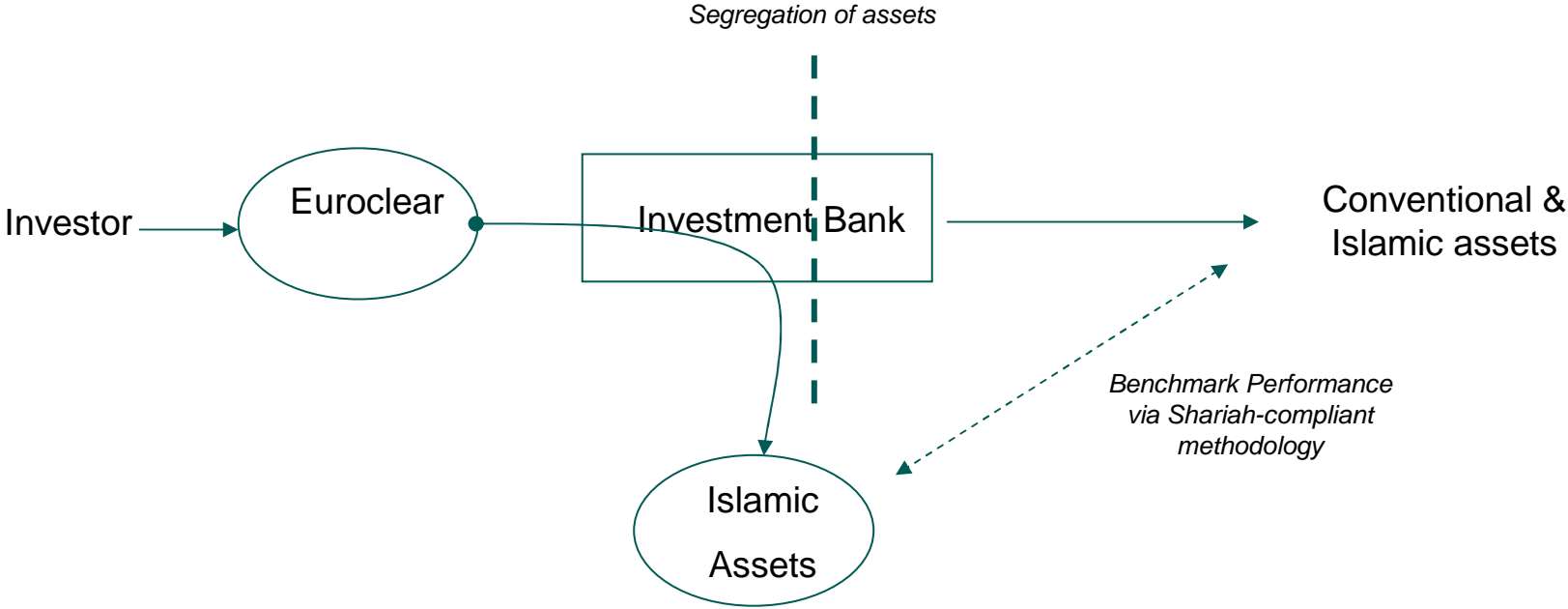
# Structure: Investment Account with Islamic Bank



# Structure: Certificate issued by Investment Bank



# Structure: Islamic Certificate issued by Investment Bank



# Screening Rules for Shariah-compliant assets

Shariah compliant Business Activity and Financial Position Screens are applied as filters for the underlying investment. Companies who derive revenues from non-shariah compliant activities and or do not meet the financial screening ratios are excluded from the investment universe.

## Business Activity Screens

- Alcohol
- Interest
- Insurance
- Pornography
- Pork
- Arms dealing
- Tobacco

## Financial Positioning Screens

Companies who do not meet the following financial screens ratio are also excluded:

Interest Bearing Debt	< 33%
Market Capitalisation*	
Cash + Interest Bearing Securities	< 33%
Market Capitalisation*	
Account Receivable	< 33%
Market Capitalisation*	

\* 12 Months Trailing Average

# A large range of asset classes from which to choose

## Indices and sectors

### Europe

Austria  
Balkans  
Belgium  
Czech Republic  
Denmark

France  
Germany  
Greece  
Hungary

Italy  
Netherlands  
Norway

Pan Europe  
Poland  
Portugal  
Romania  
Russia

Spain  
Switzerland  
Turkey  
United Kingdom

### Sectors

Telecom

### Asia & Oceania

Australia  
China  
Hong Kong  
India

### Indonesia

Japan  
Malaysia  
Vietnam

South Korea  
Taiwan  
Thailand

### America

Brazil  
Canada  
Single L.A. Countries  
Mexico  
USA

### Africa / Middle East

Egypt  
South Africa  
Morocco  
GCC-Ex Saudi

### Thematic

#### Global Farmers Climate Change and Environment

Clean and renewable energy

#### Asian Electricity

#### M&A Targets

Metals & mining  
Airlines

#### BRIC Infrastructure

#### Wind energy

#### Shipping

#### Solar energy

Water  
World Coal

### Property

Asia Pacific  
Vietnam  
Eastern Europe

### Rumenia

UK  
US REIT

### World

MSCI  
Global Titans

## Commodities

### Agricultural

Canola/Rapeseed  
Cocoa  
Coffee  
Corn  
Cotton  
Orange juice  
Palm oil  
Rubber  
Soybean  
Soybean Meal  
Soybean Oil  
Sugar  
Wheat

### Indices

AIG Soft commodities  
DJ AIG  
GSCI  
CYD  
RICI

### Subindices

DJ  
GSCI  
Philadelphia  
RICI

Silver mining basket

### Metals

Aluminium  
Copper  
Gold  
Lead  
Nickel  
Palladium  
Platinum  
Silver  
Zinc

### Livestock

Feeder cattle  
Live cattle

### Energy

Brent crude oil  
Carbon (CO2)  
Gas Oil  
Heating Oil  
Light Sweet Crude Oil  
Natural gas  
Unlead gas

## Alternatives

### Hedge Funds

Funds of Hedge Funds  
Single Hedge Funds  
CYD Market Neutral

### Private Equity

Funds of PE Funds  
PE Indexes

## Rates

### Short Term

Overnight Rates  
Emerging Markets  
Super Yield Index

### Long Term

CMS  
IBOXX  
ITRAXX

## Currencies

### OECD

EURUSD  
JPYUSD  
GBPUSD

### High Yield

ZARUSD  
NZDUSD  
TRDUSD

# Basic features

Issuer	ABN AMRO Bank NV. London Branch
Issuer's rating	AA-/Aa2
Denomination	USD100
Liquidity	Daily, subject to bid-offer spread
Valuation	Continuous
Liquidity provider	The Issuer
Clearing	Euroclear Clearstream
Underlying	Indexes Actively managed strategies Capital protected strategies
Publication	Bloomberg <a href="http://www.abnamromarkets.com">www.abnamromarkets.com</a> (search for "Islamic" or "LLB")

# Additional features

Capital Protection	Full or partial capital protection at maturity issued on emerging market and new thematic plays
Leverage	Up to 150% participation in the underlyings (no averaging)
Gap risk protection	Exit prices guaranteed by ABN AMRO
Bespoke underlyings	Possibility to combine multiple underlyings to fit investor's portfolio requirements
Listing	Swiss Stock Exchange Frankfurt Stock Exchange

# Contacts



**Ruggiero Lomonaco**

Head of Middle East & Islamic Investor Products

250 Bishopsgate, London EC2M 4AA

Telephone +44 20 76 78 4729

E-mail [ruggiero.lomonaco@uk.abnamro.com](mailto:ruggiero.lomonaco@uk.abnamro.com)