



# ICD GLOBAL SUSTAINABLE FUND

## FUND FACTS

|                         |                         |
|-------------------------|-------------------------|
| <b>ISIN Code</b>        | MYU9802AA008            |
| <b>Bloomberg Ticker</b> | SSBRGSF MK              |
| <b>Currency</b>         | US Dollar (USD)         |
| <b>Benchmark</b>        | MSCI ACWI Islamic Index |
| <b>Inception Date</b>   | 23 June 2017            |

## ECONOMIC OUTLOOK

In the second quarter of 2021, markets continued to strengthen; the S&P 500 Index rose 8.55% and the MSCI All Country World Islamic Index rose 7.53%. Year-to-date, the indices are up 15.25% and 12.56% respectively, a remarkable performance given that many parts of the world have continued to struggle with the COVID-19 pandemic.

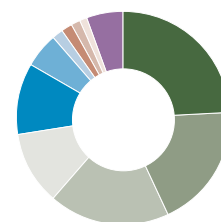
While inflation worries, the prospects of US tapering, and higher interest rates continued to occasionally spook the market, these concerns were largely soothed by US Federal Reserve Chairman Jay Powell, who reaffirmed the Fed's stance to encourage a broad and inclusive job market recovery and to not raise interest rates too quickly. US five-year forward inflation expectation came off the high of 2.38% on May 11 to 2.17% at the end of June. Meanwhile, the announcement of a \$1.2 trillion infrastructure deal in the US and strong growth numbers from China also helped enhance market optimism.

Emerging markets continued to lag, with the MSCI Emerging Markets Index at only 5.05% in the second quarter and reaching 7.45% year-to-date. Asia Pacific and ASEAN fared even worse; as COVID-19 infections spread across Southeast Asia, the MSCI AC Asia Pacific Index rose only 2.16% in the second quarter and 4.03% year-to-date, while the MSCI AC ASEAN Index fell -2.76% for the quarter and -3.38% year-to-date. Inflation fears and the possibility of a stronger dollar have also weighted on sentiment in emerging markets.

As of writing, S&P 500 and MSCI World valuations remained elevated at 22.7x P/E (against a five-year median of 18.4x) and 20.6x P/E (five-year median of 17.3x) respectively. With much of the post-pandemic recovery trade now seemingly priced in, we believe that our bottom-up investing approach—finding companies with solid fundamentals, sound growth prospects, and reasonable valuations—should continue to deliver resilient investment performance compared to macro-based or other investment styles. As sustainability and *Shariah*-focused investors, we also are well positioned to capitalize on growing ESG awareness across global investors.

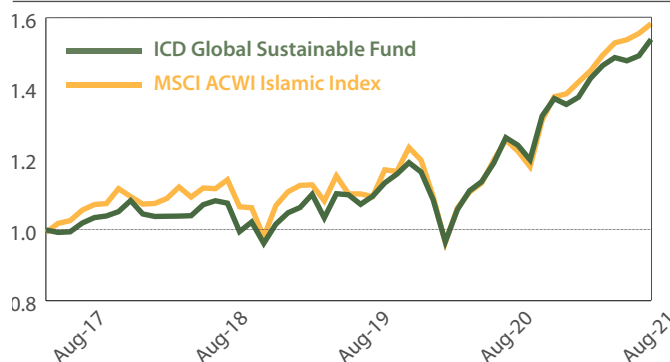
## SECTOR ALLOCATION

|                        |        |
|------------------------|--------|
| Technology             | 24.28% |
| Health Care            | 18.94% |
| Consumer Discretionary | 18.18% |
| Consumer Staples       | 11.22% |
| Industrials            | 10.79% |
| Materials              | 5.39%  |
| Communications         | 1.76%  |
| Financials             | 1.50%  |
| Energy                 | 1.33%  |
| Fixed Deposits         | 1.06%  |
| Cash                   | 5.55%  |



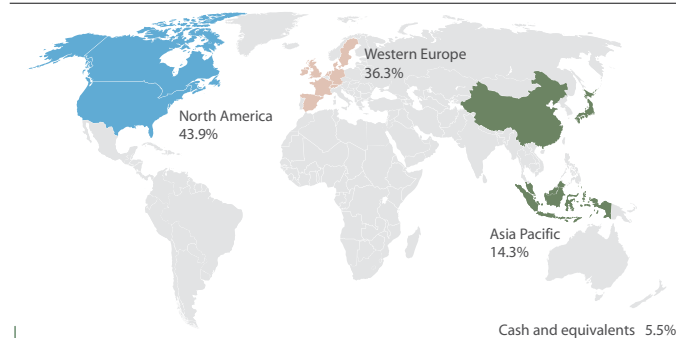
Source: Saturna Sdn Bhd Sector weightings are shown as a percentage of Fund assets.

## COMPARATIVE PERFORMANCE



Source: Bloomberg

## GEOGRAPHIC EXPOSURE



Country and sector weightings are shown as a percentage of total net assets.

## COMPARATIVE RETURNS<sup>1</sup> (as at 30 Aug 2021)

|                  | Since Inception | 1 Month | 1 Year | 3 Year | YTD    |
|------------------|-----------------|---------|--------|--------|--------|
| <b>Fund</b>      | 10.83%          | 3.11%   | 22.03% | 12.43% | 12.20% |
| <b>Benchmark</b> | 11.49%          | 1.79%   | 26.84% | 11.76% | 14.92% |

Source: Bloomberg, Saturna Sdn Bhd

<sup>1</sup> Including Dividends



## TOP 10 HOLDINGS

|                          |       |
|--------------------------|-------|
| Techtronic Industries    | 5.49% |
| L'Oreal                  | 3.40% |
| Microsoft                | 3.01% |
| Intel                    | 2.67% |
| NXP Semiconductors       | 2.63% |
| Johnson & Johnson        | 2.58% |
| Norfolk Southern         | 2.56% |
| TJX Companies            | 2.50% |
| Infineon Technologies AG | 2.48% |
| Hikma Pharmaceuticals    | 2.32% |

Source: Saturna Sdn Bhd Security weightings are shown as a percentage of Fund assets.

## INVESTMENT STRATEGY

To achieve its objective, the Fund invests in a diversified global portfolio of sustainable *Shariah*-compliant equities. At least 70% of the Fund's NAV will be invested in sustainable *Shariah*-compliant equities, and up to 30% of the Fund's NAV will be invested in Islamic liquid assets including Islamic money market instruments, Islamic deposits with Islamic financial institutions, and collective investment schemes including ICD Money Market Fund. Asset allocation decisions are continuously made and reviewed based upon global economic and financial trends.

Company investment decisions are primarily made based on value with potential for reasonable and sustainable growth. The Manager analyses economic growth rates, interest rates, inflation, currencies, and government policies. Stock selection criteria include improving fundamentals, dividends, and solid growth potential at reasonable valuations. Stock valuation fundamentals considered are sales growth, profit margin, cash generation, earnings per share, return on equity, price earnings ratio, and net tangible asset multiples.

The Fund's investments comply with the *Shariah* requirements of the Shariah Advisory Council of the SC for Malaysian securities as well as the AAOFI *Shariah* standards for all other foreign securities.

## CONTACT DETAILS

### Manager

#### Saturna Sdn Bhd

Suite 5.03, 5th Floor,  
Menara Atlan  
161-B Jalan Ampang, 50450 Kuala Lumpur

Tel: 03-2164 5303  
Fax: 03-2164 5308  
Email: info@saturna.com.my  
Website: www.saturna.com.my

### Adviser to the Manager

#### Islamic Corporation for the Development of the Private Sector

P.O. Box 54069  
Jeddah 21514  
Saudi Arabia  
Tel: +966 12 646 8174  
E-mail: icd\_mmf@isdb.org

## TARGET INVESTORS

The Fund is suitable for investors who are looking for:

- A global *Shariah*-compliant equity portfolio
- Capital appreciation and income
- Diversification and exposure to the global equity markets
- A long-term investment outlook
- Ringgit hedge

## SUMMARY OF KEY TERMS

|                                  |  |
|----------------------------------|--|
| <b>Fund Size (30-AUG-2021)</b>   | USD 60.58 million  |
| <b>Minimum Investment</b>        | USD 5,000  |
| <b>Minimum Increment</b>         | USD 1,000  |
| <b>Type of Product</b>           | Open-ended (Unit Trust Fund)   |
| <b>Fund Category</b>             | <i>Shariah</i> -Compliant Equity   |
| <b>Fund Type</b>                 | Growth and Income  |
| <b>Term</b>                      | Daily Liquidity  |
| <b>Target Region</b>             | Global   |
| <b>Manager</b>                   | Saturna Sdn Bhd  |
| <b>Trustee</b>                   | SCBMB Trustee Berhad   |
| <b>Shariah Advisor</b>           | Amanie Advisors Sdn Bhd  |
| <b>Auditor</b>                   | Crowe Malaysia PLT   |
| <b>Tax Agent</b>                 | Crowe KL Tax Sdn Bhd   |
| <b>Administration Fee</b>        | 0.25% Per annum of the NAV of the Fund   |
| <b>Distribution Fee</b>          | Up to 0.25% Per annum of the NAV of the Fund (on a reimbursement basis)  |
| <b>Trustee Fee</b>               | 0.05% Per annum of the NAV of the Fund   |
| <b>Performance Fee</b>           | 10% of the change in gross asset value that cumulatively increases or decreases, excluding subscriptions and redemptions, for each day in the financial year |
| <b>No Direct Fees or Charges</b> | No charges for Sales, Redemption, Transfer, or Switching   |

**Disclaimer:** Investors are advised to read and understand the contents of the Fund's Prospectus (dated 23 June 2017 for ICD Global Sustainable Fund) and its Product Highlights Sheet, obtainable at our offices and our website, before investing. The prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Investors should also consider the fees and charges involved. The price of units and investment returns may go down as well as up. Past performances of the Fund are not an indication of the Fund's future performances. Units will only be issued upon receipt of the application from accompanying the prospectus. There are risks involved with investing in unit trust funds. Some of these risks associated with investments in unit trust funds are market risk, non-compliance risk, performance risk, equity securities risk, operational risk, price level risk, large and mid-size company risk, concentration risk, country risk, political risk, currency risk, active investment risk, and reclassification of *Shariah* status risk. For further details on the risk profile of the Fund, please refer to the Risk Factors section in the prospectus.